#### **PROPOSITION 200**

#### **OFFICIAL TITLE**

AN INITIATIVE MEASURE

CITIZENS CLEAN ELECTIONS ACT

#### TEXT OF THE PROPOSED AMENDMENT

Be it enacted by the voters of the State of Arizona: Section 1. In title 16, chapter 6, add the following article:

ARTICLE 2. CITIZENS CLEAN ELECTIONS ACT

#### 16-940. FINDINGS AND DECLARATIONS.

A. THE PEOPLE OF ARIZONA DECLARE OUR INTENT TO CREATE A CLEAN ELECTIONS SYSTEM THAT WILL IMPROVE THE INTEGRITY OF ARIZONA STATE GOVERNMENT BY DIMINISHING THE INFLUENCE OF SPECIAL-INTEREST MONEY, WILL ENCOURAGE CITIZEN PARTICIPATION IN THE POLITICAL PROCESS, AND WILL PROMOTE FREEDOM OF SPEECH UNDER THE U.S. AND ARIZONA CONSTITUTIONS. CAMPAIGNS WILL BECOME MORE ISSUE-ORIENTED AND LESS NEGATIVE BECAUSE THERE WILL BE NO NEED TO CHALLENGE THE SOURCES OF CAMPAIGN MONEY.

- B. THE PEOPLE OF ARIZONA FIND THAT OUR CURRENT ELECTION-FINANCING SYSTEM:
  - 1. ALLOWS ARIZONA ELECTED OFFICIALS TO ACCEPT LARGE CAMPAIGN CONTRIBUTIONS FROM PRIVATE INTERESTS OVER WHICH THEY HAVE GOVERNMENTAL JURISDICTION;
  - 2. GIVES INCUMBENTS AN UNHEALTHY ADVANTAGE OVER CHALLENGERS;
  - 3. HINDERS COMMUNICATION TO VOTERS BY MANY OUALIFIED CANDIDATES;
  - 4. EFFECTIVELY SUPPRESSES THE VOICES AND INFLUENCE OF THE VAST MAJORITY OF ARIZONA CITIZENS IN FAVOR OF A SMALL NUMBER OF WEALTHY SPECIAL INTERESTS;
  - 5. UNDERMINES PUBLIC CONFIDENCE IN THE INTEGRITY OF PUBLIC OFFICIALS;
  - 6. COSTS AVERAGE TAXPAYERS MILLIONS OF DOLLARS IN THE FORM OF SUBSIDIES AND SPECIAL PRIVILEGES FOR CAMPAIGN CONTRIBUTORS;
  - 7. DRIVES UP THE COST OF RUNNING FOR STATE OFFICE, DISCOURAGING OTHERWISE QUALIFIED CANDIDATES WHO LACK PERSONAL WEALTH OR ACCESS TO SPECIAL-INTEREST FUNDING; AND
  - 8. REQUIRES THAT ELECTED OFFICIALS SPEND TOO MUCH OF THEIR TIME RAISING FUNDS RATHER THAN REPRESENTING THE PUBLIC.

- 16-941. <u>LIMITS ON SPENDING AND CONTRIBUTIONS FOR POLITICAL CAMPAIGNS.</u>
- A. NOTWITHSTANDING ANY LAW TO THE CONTRARY, A PARTICIPATING CANDIDATE:
  - 1. SHALL NOT ACCEPT ANY CONTRIBUTIONS, OTHER THAN A LIMITED NUMBER OF FIVE-DOLLAR QUALIFYING CONTRIBUTIONS AS SPECIFIED IN SECTION 16-946 AND EARLY CONTRIBUTIONS AS SPECIFIED IN SECTION 16-945, EXCEPT IN THE EMERGENCY SITUATION SPECIFIED IN SECTION 16-954, SUBSECTION F.
  - 2. SHALL NOT MAKE EXPENDITURES OF MORE THAN A TOTAL OF FIVE HUNDRED DOLLARS OF THE CANDIDATE'S PERSONAL MONIES FOR A CANDIDATE FOR LEGISLATURE OR MORE THAN ONE THOUSAND DOLLARS FOR A CANDIDATE FOR STATEWIDE OFFICE.
  - 3. SHALL NOT MAKE EXPENDITURES IN THE PRIMARY ELECTION PERIOD IN EXCESS OF THE ADJUSTED PRIMARY ELECTION SPENDING LIMIT.
  - 4. SHALL NOT MAKE EXPENDITURES IN THE GENERAL ELECTION PERIOD IN EXCESS OF THE ADJUSTED GENERAL ELECTION SPENDING LIMIT.
  - 5. SHALL COMPLY WITH SECTION 16-948 REGARDING CAMPAIGN ACCOUNTS AND SECTION 16-953 REGARDING RETURNING UNUSED MONIES TO THE CITIZENS CLEAN ELECTION FUND DESCRIBED IN THIS ARTICLE.
- B. NOTWITHSTANDING ANY LAW TO THE CONTRARY, A NON-PARTICIPATING CANDIDATE:
  - 1. SHALL NOT ACCEPT CONTRIBUTIONS IN EXCESS OF AN AMOUNT THAT IS TWENTY PERCENT LESS THAN THE LIMITS SPECIFIED IN SECTION 16-905, SUBSECTIONS A THROUGH G, AS ADJUSTED BY THE SECRETARY OF STATE PURSUANT TO SECTION 16-905, SUBSECTION J. ANY VIOLATION OF THIS PARAGRAPH SHALL BE SUBJECT TO THE CIVIL PENALTIES AND PROCEDURES SET FORTH IN SECTION 16-905, SUBSECTIONS L THROUGH P AND SECTION 16-924.
  - 2. SHALL COMPLY WITH SECTION 16-958 REGARDING REPORTING, INCLUDING FILING REPORTS WITH THE SECRETARY OF STATE INDICATING WHENEVER (A) EXPENDITURES OTHER THAN INDEPENDENT EXPENDITURES ON BEHALF OF THE CANDIDATE, FROM THE BEGINNING OF THE ELECTION CYCLE TO ANY DATE UP TO PRIMARY ELECTION DAY, EXCEED SEVENTY PERCENT OF THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT APPLICABLE TO A PARTICIPATING CANDIDATE SEEKING THE SAME OFFICE, OR (B) CONTRIBUTIONS TO A CANDIDATE, FROM THE BEGINNING OF THE ELECTION CYCLE TO ANY DATE DURING THE GENERAL ELECTION PERIOD, LESS EXPENDITURES MADE FROM THE BEGINNING OF THE ELECTION DAY,

EXCEED SEVENTY PERCENT OF THE ORIGINAL GENERAL ELECTION SPENDING LIMIT APPLICABLE TO A PARTICIPATING CANDIDATE SEEKING THE SAME OFFICE.

- C. NOTWITHSTANDING ANY LAW TO THE CONTRARY, A CANDIDATE, WHETHER PARTICIPATING OR NONPARTICIPATING:
  - 1. IF AND ONLY IF SPECIFIED IN A WRITTEN AGREEMENT SIGNED BY THE CANDIDATE AND ONE OR MORE OPPOSING CANDIDATES AND FILED WITH THE CITIZENS CLEAN ELECTIONS COMMISSION, SHALL NOT MAKE ANY EXPENDITURE IN THE PRIMARY OR GENERAL ELECTION PERIOD EXCEEDING AN AGREED-UPON AMOUNT LOWER THAN SPENDING LIMITS OTHERWISE APPLICABLE BY STATUTE.
  - 2. SHALL CONTINUE TO BE BOUND BY ALL OTHER APPLICABLE ELECTION AND CAMPAIGN FINANCE STATUTES AND RULES, WITH THE EXCEPTION OF THOSE PROVISIONS IN EXPRESS OR CLEAR CONFLICT WITH THE PROVISIONS OF THIS ARTICLE.
- D. NOTWITHSTANDING ANY LAW TO THE CONTRARY, ANY PERSON WHO MAKES INDEPENDENT EXPENDITURES RELATED TO A PARTICULAR OFFICE CUMULATIVELY EXCEEDING FIVE HUNDRED DOLLARS IN AN ELECTION CYCLE, WITH THE EXCEPTION OF ANY EXPENDITURE LISTED IN SECTION 16-920 AND ANY INDEPENDENT EXPENDITURE BY AN ORGANIZATION ARISING FROM A COMMUNICATION DIRECTLY TO THE ORGANIZATION'S MEMBERS, SHAREHOLDERS, EMPLOYEES, AFFILIATED PERSONS, AND SUBSCRIBERS, SHALL FILE REPORTS WITH THE SECRETARY OF STATE IN ACCORDANCE WITH SECTION 16-958 SO INDICATING, IDENTIFYING THE OFFICE AND THE CANDIDATE OR GROUP OF CANDIDATES WHOSE ELECTION OR DEFEAT IS BEING ADVOCATED, AND STATING WHETHER THE PERSON IS ADVOCATING ELECTION OR ADVOCATING DEFEAT.

#### 16-942. CIVIL PENALTIES AND FORFEITURE OF OFFICE.

- A. THE CIVIL PENALTY FOR A VIOLATION OF ANY CONTRIBUTION OR EXPENDITURE LIMIT IN SECTION 16-941 BY OR ON BEHALF OF A PARTICIPATING CANDIDATE SHALL BE TEN TIMES THE AMOUNT BY WHICH THE EXPENDITURES OR CONTRIBUTIONS EXCEED THE APPLICABLE LIMIT.
- B. IN ADDITION TO ANY OTHER PENALTIES IMPOSED BY LAW, THE CIVIL PENALTY FOR A VIOLATION BY OR ON BEHALF OF ANY CANDIDATE OF ANY REPORTING REQUIREMENT IMPOSED BY THIS CHAPTER SHALL BE ONE HUNDRED DOLLARS PER DAY FOR CANDIDATES FOR THE LEGISLATURE AND THREE HUNDRED DOLLARS PER DAY FOR CANDIDATES FOR STATEWIDE OFFICE. THE PENALTY IMPOSED BY THIS SUBSECTION SHALL BE DOUBLED IF THE AMOUNT NOT REPORTED FOR A PARTICULAR ELECTION CYCLE EXCEEDS TEN PERCENT OF THE ADJUSTED PRIMARY OR GENERAL ELECTION SPENDING LIMIT. NO PENALTY IMPOSED PURSUANT TO THIS SUBSECTION SHALL EXCEED TWICE THE AMOUNT OF EXPEN-

DITURES OR CONTRIBUTIONS NOT REPORTED. THE CANDIDATE AND THE CANDIDATE'S CAMPAIGN ACCOUNT SHALL BE JOINTLY AND SEVERALLY RESPONSIBLE FOR ANY PENALTY IMPOSED PURSUANT TO THIS SUBSECTION.

- C. ANY CAMPAIGN FINANCE REPORT FILED INDICATING A VIOLATION OF SECTION 16-941, SUBSECTIONS A OR B OR SECTION 16-941, SUBSECTION C, PARAGRAPH 1 INVOLVING AN AMOUNT IN EXCESS OF TEN PERCENT OF THE SUM OF THE ADJUSTED PRIMARY ELECTION SPENDING LIMIT AND THE ADJUSTED GENERAL ELECTION SPENDING LIMIT FOR A PARTICULAR CANDIDATE SHALL RESULT IN DISQUALIFICATION OF A CANDIDATE OR FORFEITURE OF OFFICE.
- D. ANY PARTICIPATING CANDIDATE ADJUDGED TO HAVE COMMITTED A KNOWING VIOLATION OF SECTION 16-941, SUBSECTION A OR SUBSECTION C, PARAGRAPH I SHALL REPAY FROM THE CANDIDATE'S PERSONAL MONIES TO THE FUND ALL MONIES EXPENDED FROM THE CANDIDATE'S CAMPAIGN ACCOUNT AND SHALL TURN OVER THE CANDIDATE'S CAMPAIGN ACCOUNT TO THE FUND.
- E. ALL CIVIL PENALTIES COLLECTED PURSUANT TO THIS ARTICLE SHALL BE DEPOSITED INTO THE FUND.

#### 16-943. CRIMINAL VIOLATIONS AND PENALTIES.

- A. A CANDIDATE, OR ANY OTHER PERSON ACTING ON BEHALF OF A CANDIDATE, WHO KNOWINGLY VIOLATES SECTION 16-941 IS GUILTY OF A CLASS 1 MISDEMEANOR.
- B. ANY PERSON WHO KNOWINGLY PAYS ANY THING OF VALUE OR ANY COMPENSATION FOR A QUALIFYING CONTRIBUTION AS DEFINED IN SECTION 16-946 IS GUILTY OF A CLASS 1 MISDEMEANOR.
- C. ANY PERSON WHO KNOWINGLY PROVIDES FALSE OR INCOMPLETE INFORMATION ON A REPORT FILED UNDER SECTION 16-958 IS GUILTY OF A CLASS 1 MISDEMEANOR.

#### 16-944. FEES IMPOSED ON LOBBYISTS.

BEGINNING ON JANUARY 1, 1999, AN ANNUAL FEE IS IMPOSED ON ALL REGISTERED LOBBYISTS REPRESENTING (A) ONE OR MORE PERSONS IN CONNECTION WITH A COMMERCIAL OR FOR-PROFIT ACTIVITY EXCEPT PUBLIC BODIES OR (B) A NON-PROFIT ENTITY PREDOMINATELY COMPOSED OF OR ACTING ON BEHALF OF A TRADE ASSOCIATION OR OTHER GROUPING OF COMMERCIAL OR FOR-PROFIT ENTITIES. THE FEE SHALL BE IN THE AMOUNT OF ONE HUNDRED DOLLARS ANNUALLY PER LOBBYIST AND SHALL BE COLLECTED BY THE SECRETARY OF STATE AND TRANSMITTED TO THE STATE TREASURER FOR DEPOSIT INTO THE FUND.

#### 16-945. <u>LIMITS ON EARLY CONTRIBUTIONS</u>.

A. A PARTICIPATING CANDIDATE MAY ACCEPT EARLY CONTRIBUTIONS ONLY FROM INDIVIDUALS AND ONLY DURING THE EXPLORATORY PERIOD AND THE QUALIFYING PERIOD, SUBJECT TO THE FOLLOWING LIMITATIONS:

- 1. NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO CONTRIBUTOR SHALL GIVE, AND NO PARTICIPATING CANDIDATE SHALL ACCEPT, CONTRIBUTIONS FROM A CONTRIBUTOR EXCEEDING ONE HUNDRED DOLLARS DURING AN ELECTION CYCLE.
- 2. NOTWITHSTANDING ANY LAW TO THE CONTRARY, EARLY CONTRIBUTIONS TO A PARTICIPATING CANDIDATE FROM ALL SOURCES FOR AN ELECTION CYCLE SHALL NOT EXCEED, FOR A CANDIDATE FOR GOVERNOR, FORTY THOUSAND DOLLARS OR, FOR OTHER CANDIDATES, TEN PERCENT OF THE SUM OF THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT AND THE ORIGINAL GENERAL ELECTION SPENDING LIMIT.
- 3. QUALIFYING CONTRIBUTIONS SPECIFIED IN SECTION 16-946 SHALL NOT BE INCLUDED IN DETERMINING WHETHER THE LIMITS IN THIS SUBSECTION HAVE BEEN EXCEEDED.
- B. EARLY CONTRIBUTIONS SPECIFIED IN SUBSECTION A OF THIS SECTION AND THE CANDIDATE'S PERSONAL MONIES SPECIFIED IN SECTION 16-941, SUBSECTION A, PARAGRAPH 2 MAY BE SPENT ONLY DURING THE EXPLORATORY PERIOD AND THE QUALIFYING PERIOD. ANY EARLY CONTRIBUTIONS NOT SPENT BY THE END OF THE QUALIFYING PERIOD SHALL BE PAID TO THE FUND.
- C. IF A PARTICIPATING CANDIDATE HAS A DEBT FROM AN ELECTION CAMPAIGN IN THIS STATE DURING A PREVIOUS ELECTION CYCLE IN WHICH THE CANDIDATE WAS NOT A PARTICIPATING CANDIDATE, THEN, DURING THE EXPLORATORY PERIOD ONLY, THE CANDIDATE MAY ACCEPT, IN ADDITION TO EARLY CONTRIBUTIONS SPECIFIED IN SUBSECTION A OF THIS SECTION, CONTRIBUTIONS SUBJECT TO THE LIMITATIONS IN SECTION 16-941, SUBSECTION B, PARAGRAPH 1, OR MAY EXCEED THE LIMIT ON PERSONAL MONIES IN SECTION 16-941, SUBSECTION A, PARAGRAPH 2, PROVIDED THAT SUCH CONTRIBUTIONS AND MONIES ARE USED SOLELY TO RETIRE SUCH DEBT.

#### 16-946. **QUALIFYING CONTRIBUTIONS**.

- A. DURING THE QUALIFYING PERIOD, A PARTICIPATING CANDIDATE MAY COLLECT QUALIFYING CONTRIBUTIONS, WHICH SHALL BE PAID TO THE FUND.
- B. TO QUALIFY AS A "QUALIFYING CONTRIBUTION," A CONTRIBUTION MUST BE:
  - 1. MADE BY A QUALIFIED ELECTOR AS DEFINED IN SECTION 16-121, WHO AT THE TIME OF THE CONTRIBUTION IS REGISTERED IN THE ELECTORAL DISTRICT OF THE OFFICE THE CANDIDATE IS SEEKING AND WHO HAS NOT GIVEN ANOTHER QUALIFYING CONTRIBUTION TO THAT CANDIDATE DURING THAT ELECTION CYCLE;
  - 2. MADE BY A PERSON WHO IS NOT GIVEN ANYTHING OF VALUE IN EXCHANGE FOR THE QUALIFYING CONTRIBUTION;
    - 3. IN THE SUM OF FIVE DOLLARS, EXACTLY;

- 4. RECEIVED UNSOLICITED DURING THE QUALIFYING PERIOD OR SOLICITED DURING THE QUALIFYING PERIOD BY A PERSON WHO IS NOT EMPLOYED OR RETAINED BY THE CANDIDATE AND WHO IS NOT COMPENSATED TO COLLECT CONTRIBUTIONS BY THE CANDIDATE OR ON BEHALF OF THE CANDIDATE;
- 5. IF MADE BY CHECK OR MONEY ORDER, MADE PAYABLE TO THE CANDIDATE'S CAMPAIGN COMMITTEE, OR IF IN CASH, DEPOSITED IN THE CANDIDATE'S CAMPAIGN COMMITTEE'S ACCOUNT: AND
- 6. ACCOMPANIED BY A THREE-PART REPORTING SLIP THAT INCLUDES THE PRINTED NAME, REGISTRATION ADDRESS, AND SIGNATURE OF THE CONTRIBUTOR, THE NAME OF THE CANDIDATE FOR WHOM THE CONTRIBUTION IS MADE, THE DATE, AND THE PRINTED NAME AND SIGNATURE OF THE SOLICITOR
- C. A COPY OF THE REPORTING SLIP SHALL BE GIVEN AS A RECEIPT TO THE CONTRIBUTOR, AND ANOTHER COPY SHALL BE RETAINED BY THE CANDIDATE'S CAMPAIGN COMMITTEE. DELIVERY OF AN ORIGINAL REPORTING SLIP TO THE SECRETARY OF STATE SHALL EXCUSE THE CANDIDATE FROM DISCLOSURE OF THESE CONTRIBUTIONS ON CAMPAIGN FINANCE REPORTS FILED UNDER ARTICLE 1 OF THIS CHAPTER.

#### 16-947. CERTIFICATION AS A PARTICIPATING CANDIDATE.

- A. A CANDIDATE WHO WISHES TO BE CERTIFIED AS A PARTIC-IPATING CANDIDATE SHALL, BEFORE THE END OF THE QUALIFYING PERIOD, FILE AN APPLICATION WITH THE SECRETARY OF STATE, IN A FORM SPECIFIED BY THE CITIZENS CLEAN ELECTIONS COMMISSION.
- B. THE APPLICATION SHALL IDENTIFY THE CANDIDATE, THE OFFICE THAT THE CANDIDATE PLANS TO SEEK, AND THE CANDIDATE'S PARTY, IF ANY, AND SHALL CONTAIN THE CANDIDATE'S SIGNATURE, UNDER OATH, CERTIFYING THAT:
  - 1. THE CANDIDATE HAS COMPLIED WITH THE RESTRICTIONS OF SECTION 16-941, SUBSECTION A DURING THE ELECTION CYCLE TO DATE.
  - 2. THE CANDIDATE'S CAMPAIGN COMMITTEE AND EXPLORATORY COMMITTEE HAVE FILED ALL CAMPAIGN FINANCE REPORTS REQUIRED UNDER ARTICLE 1 OF THIS CHAPTER DURING THE ELECTION CYCLE TO DATE AND THAT THEY ARE COMPLETE AND ACCURATE.
  - 3. THE CANDIDATE WILL COMPLY WITH THE REQUIREMENTS OF SECTION 16-941, SUBSECTION A DURING THE REMAINDER OF THE ELECTION CYCLE AND, SPECIFICALLY, WILL NOT ACCEPT PRIVATE CONTRIBUTIONS.
- C. THE COMMISSION SHALL ACT ON THE APPLICATION WITHIN ONE WEEK. UNLESS, WITHIN THAT TIME, THE COMMISSION DENIES AN APPLICATION AND PROVIDES WRITTEN REASONS THAT

ALL OR PART OF A CERTIFICATION IN SUBSECTION B OF THIS SECTION IS INCOMPLETE OR UNTRUE, THE CANDIDATE SHALL BE CERTIFIED AS A PARTICIPATING CANDIDATE. IF THE COMMISSION DENIES AN APPLICATION FOR FAILURE TO FILE ALL COMPLETE AND ACCURATE CAMPAIGN FINANCE REPORTS OR FAILURE TO MAKE THE CERTIFICATION IN SUBSECTION B, PARAGRAPH 3 OF THIS SECTION, THE CANDIDATE MAY REAPPLY WITHIN TWO WEEKS OF THE COMMISSION'S DECISION BY FILING COMPLETE AND ACCURATE CAMPAIGN FINANCE REPORTS AND ANOTHER SWORN CERTIFICATION.

16-948. <u>CONTROLS ON PARTICIPATING CANDIDATES' CAMPAIGN</u> ACCOUNTS.

- A. A PARTICIPATING CANDIDATE SHALL CONDUCT ALL FINANCIAL ACTIVITY THROUGH A SINGLE CAMPAIGN ACCOUNT OF THE CANDIDATE'S CAMPAIGN COMMITTEE. A PARTICIPATING CANDIDATE SHALL NOT MAKE ANY DEPOSITS INTO THE CAMPAIGN ACCOUNT OTHER THAN THOSE PERMITTED UNDER SECTIONS 16-945 OR 16-946.
- B. A CANDIDATE MAY DESIGNATE OTHER PERSONS WITH AUTHORITY TO WITHDRAW FUNDS FROM THE CANDIDATE'S CAMPAIGN ACCOUNT. THE CANDIDATE AND ANY PERSON SO DESIGNATED SHALL SIGN A JOINT STATEMENT UNDER OATH PROMISING TO COMPLY WITH THE REQUIREMENTS OF THIS TITLE.
- C. THE CANDIDATE OR A PERSON AUTHORIZED UNDER SUBSECTION B OF THIS SECTION SHALL PAY MONIES FROM A PARTICIPATING CANDIDATE'S CAMPAIGN ACCOUNT DIRECTLY TO THE PERSON PROVIDING GOODS OR SERVICES TO THE CAMPAIGN AND SHALL IDENTIFY, ON A REPORT FILED PURSUANT TO ARTICLE 1 OF THIS CHAPTER, THE FULL NAME AND STREET ADDRESS OF THE PERSON AND THE NATURE OF THE GOODS AND SERVICES AND COMPENSATION FOR WHICH PAYMENT HAS BEEN MADE. NOTWITHSTANDING THE PREVIOUS SENTENCE, A CAMPAIGN COMMITTEE MAY ESTABLISH ONE OR MORE PETTY CASH ACCOUNTS, WHICH IN AGGREGATE SHALL NOT EXCEED ONE THOUSAND DOLLARS AT ANY TIME. NO SINGLE EXPENDITURE SHALL BE MADE FROM A PETTY CASH ACCOUNT EXCEEDING ONE HUNDRED DOLLARS.
- D. MONIES IN A PARTICIPATING CANDIDATE'S CAMPAIGN ACCOUNT SHALL NOT BE USED TO PAY FINES OR CIVIL PENALTIES, FOR COSTS OR LEGAL FEES RELATED TO REPRESENTATION BEFORE THE COMMISSION, OR FOR DEFENSE OF ANY ENFORCEMENT ACTION UNDER THIS CHAPTER. NOTHING IN THIS SUBSECTION SHALL PREVENT A PARTICIPATING CANDIDATE FROM HAVING A LEGAL DEFENSE FUND.
- 16-949. <u>CAPS ON SPENDING FROM CITIZENS CLEAN ELECTIONS FUND.</u>
- A. THE COMMISSION SHALL NOT SPEND, ON ALL COSTS INCURRED UNDER THIS ARTICLE DURING A PARTICULAR CALEN-

DAR YEAR, MORE THAN FIVE DOLLARS TIMES THE NUMBER OF ARIZONA RESIDENT PERSONAL INCOME TAX RETURNS FILED DURING THE PREVIOUS CALENDAR YEAR. TAX REDUCTIONS AND TAX CREDITS AWARDED TO TAXPAYERS PURSUANT TO SECTION 16-954, SUBSECTIONS A AND B SHALL NOT BE CONSIDERED COSTS INCURRED UNDER THIS ARTICLE FOR PURPOSES OF THIS SECTION. THE COMMISSION MAY EXCEED THIS LIMIT DURING A CALENDAR YEAR, PROVIDED THAT IT IS OFFSET BY AN EQUAL REDUCTION OF THE LIMIT DURING ANOTHER CALENDAR YEAR DURING THE SAME FOUR-YEAR PERIOD BEGINNING JANUARY 1 IMMEDIATELY AFTER A GUBERNATORIAL ELECTION.

- B. THE COMMISSION MAY USE UP TO TEN PERCENT OF THE AMOUNT SPECIFIED IN SUBSECTION A OF THIS SECTION FOR REASONABLE AND NECESSARY EXPENSES OF ADMINISTRATION AND ENFORCEMENT, INCLUDING THE ACTIVITIES SPECIFIED IN SECTION 16-956, SUBSECTIONS B, C, AND D. ANY PORTION OF THE TEN PERCENT NOT USED FOR THIS PURPOSE SHALL REMAIN IN THE FUND.
- C. THE COMMISSION SHALL APPLY TEN PERCENT OF THE AMOUNT SPECIFIED IN SUBSECTION A OF THIS SECTION FOR REASONABLE AND NECESSARY EXPENSES ASSOCIATED WITH VOTER EDUCATION, INCLUDING THE ACTIVITIES SPECIFIED IN SECTION 16-956, SUBSECTION A.
- D. THE STATE TREASURER SHALL ADMINISTER A CITIZENS CLEAN ELECTION FUND FROM WHICH COSTS INCURRED UNDER THIS ARTICLE SHALL BE PAID. THE AUDITOR GENERAL SHALL REVIEW THE MONIES IN, PAYMENTS INTO, AND EXPENDITURES FROM THE FUND NO LESS OFTEN THAN EVERY FOUR YEARS.
  - 16-950. QUALIFICATION FOR CLEAN CAMPAIGN FUNDING.
- A. A CANDIDATE WHO HAS MADE AN APPLICATION FOR CERTIFICATION MAY ALSO APPLY, IN ACCORDANCE WITH SUBSECTION B OF THIS SECTION, TO RECEIVE FUNDS FROM THE CITIZENS CLEAN ELECTIONS FUND, INSTEAD OF RECEIVING PRIVATE CONTRIBUTIONS.
- B. TO RECEIVE ANY CLEAN CAMPAIGN FUNDING, THE CANDIDATE MUST PRESENT TO THE SECRETARY OF STATE NO LATER THAN ONE WEEK AFTER THE END OF THE QUALIFYING PERIOD A LIST OF NAMES OF PERSONS WHO HAVE MADE QUALIFYING CONTRIBUTIONS PURSUANT TO SECTION 16-946 ON BEHALF OF THE CANDIDATE. THE LIST SHALL BE DIVIDED BY COUNTY. AT THE SAME TIME, THE CANDIDATE MUST TENDER TO THE SECRETARY OF STATE THE ORIGINAL REPORTING SLIPS IDENTIFIED IN SECTION 16-946, SUBSECTION C FOR PERSONS ON THE LIST AND AN AMOUNT EQUAL TO THE SUM OF THE QUALIFYING CONTRIBUTIONS COLLECTED. THE SECRETARY OF STATE SHALL DEPOSIT THE AMOUNT INTO THE FUND.
- C. THE SECRETARY OF STATE SHALL SELECT AT RANDOM A SAMPLE OF FIVE PERCENT OF THE NUMBER OF NON-DUPLICATIVE

NAMES ON THE LIST AND FORWARD FACSIMILES OF THE SELECTED REPORTING SLIPS TO THE COUNTY RECORDER FOR THE COUNTIES OF THE ADDRESSES SPECIFIED IN THE SELECTED SLIPS. WITHIN TEN DAYS, THE COUNTY RECORDERS SHALL PROVIDE A REPORT TO THE SECRETARY OF STATE IDENTIFYING AS DISQUALIFIED ANY SLIPS THAT ARE UNSIGNED OR UNDATED OR THAT THE RECORDER IS UNABLE TO VERIFY AS MATCHING A PERSON WHO IS REGIS-TERED TO VOTE, ON THE DATE SPECIFIED ON THE SLIP, INSIDE THE ELECTORAL DISTRICT OF THE OFFICE THE CANDIDATE IS SEEKING. THE SECRETARY OF STATE SHALL MULTIPLY THE NUMBER OF SLIPS NOT DISQUALIFIED BY TWENTY, AND IF THE RESULT IS GREATER THAN ONE HUNDRED AND TEN PERCENT OF THE QUAN-TITY REQUIRED, SHALL APPROVE THE CANDIDATE FOR FUNDS, AND IF THE RESULT IS LESS THAN NINETY PERCENT OF THE QUAN-TITY REQUIRED, SHALL DENY THE APPLICATION FOR FUNDS. OTH-ERWISE, THE SECRETARY OF STATE SHALL FORWARD FACSIMILES OF ALL OF THE SLIPS TO THE COUNTY RECORDERS FOR VERIFICA-TION, AND THE COUNTY RECORDERS SHALL CHECK ALL SLIPS IN ACCORDANCE WITH THE PROCESS ABOVE.

- D. TO QUALIFY FOR CLEAN CAMPAIGN FUNDING, A CANDIDATE MUST HAVE BEEN APPROVED AS A PARTICIPATING CANDIDATE PURSUANT TO SECTION 16-947 AND HAVE OBTAINED THE FOLLOWING NUMBER OF QUALIFYING CONTRIBUTIONS:
  - 1. FOR A CANDIDATE FOR LEGISLATURE, TWO HUNDRED.
  - 2. FOR CANDIDATE FOR MINE INSPECTOR, FIVE HUNDRED.
  - 3. FOR A CANDIDATE FOR TREASURER, SUPERINTENDENT OF PUBLIC INSTRUCTION, OR CORPORATION COMMISSION, ONE THOUSAND FIVE HUNDRED.
  - 4. FOR A CANDIDATE FOR SECRETARY OF STATE OR ATTORNEY GENERAL, TWO THOUSAND FIVE HUNDRED.
    - 5. FOR A CANDIDATE FOR GOVERNOR, FOUR THOUSAND.
- E. TO QUALIFY FOR CLEAN CAMPAIGN FUNDING, A CANDIDATE MUST HAVE MET THE REQUIREMENTS OF THIS SECTION AND EITHER BE AN INDEPENDENT CANDIDATE OR MEET THE FOLLOWING STANDARDS:
  - 1. TO QUALIFY FOR FUNDING FOR A PARTY PRIMARY ELECTION, A CANDIDATE MUST HAVE PROPERLY FILED NOMINATING PAPERS AND NOMINATING PETITIONS WITH SIGNATURES PURSUANT TO CHAPTER 3, ARTICLES 2 AND 3 OF THIS TITLE IN THE PRIMARY OF A POLITICAL ORGANIZATION ENTITLED TO CONTINUED REPRESENTATION ON THE OFFICIAL BALLOT IN ACCORDANCE WITH SECTION 16-804.
  - 2. TO QUALIFY FOR CLEAN CAMPAIGN FUNDING FOR A GENERAL ELECTION, A CANDIDATE MUST BE A PARTY NOMINEE OF SUCH A POLITICAL ORGANIZATION.

#### 16-951. CLEAN CAMPAIGN FUNDING.

- A. AT THE BEGINNING OF THE PRIMARY ELECTION PERIOD, THE COMMISSION SHALL PAY FROM THE FUND TO THE CAMPAIGN ACCOUNT OF EACH CANDIDATE WHO QUALIFIES FOR CLEAN CAMPAIGN FUNDING:
  - 1. FOR A CANDIDATE WHO QUALIFIES FOR CLEAN CAMPAIGN FUNDING FOR A PARTY PRIMARY ELECTION, AN AMOUNT EQUAL TO THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT;
  - 2. FOR AN INDEPENDENT CANDIDATE WHO QUALIFIES FOR CLEAN CAMPAIGN FUNDING, AN AMOUNT EQUAL TO SEVENTY PERCENT OF THE SUM OF THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT, AND THE ORIGINAL GENERAL ELECTION SPENDING LIMIT; OR
  - 3. FOR A QUALIFIED PARTICIPATING CANDIDATE WHO IS UNOPPOSED FOR AN OFFICE IN THAT CANDIDATE'S PRIMARY, IN THE PRIMARY OF ANY OTHER PARTY, AND BY ANY OPPOSING INDEPENDENT CANDIDATE, AN AMOUNT EQUAL TO FIVE DOLLARS TIMES THE NUMBER OF QUALIFYING CONTRIBUTIONS FOR THAT CANDIDATE CERTIFIED BY THE COMMISSION.
- B. AT ANY TIME AFTER THE FIRST DAY OF JANUARY OF AN ELECTION YEAR, ANY CANDIDATE WHO HAS MET THE REQUIREMENTS OF SECTION 16-950 MAY SIGN AND CAUSE TO BE FILED A NOMINATION PAPER IN THE FORM SPECIFIED BY SECTION 16-311, SUBSECTION A, WITH A NOMINATING PETITION AND SIGNATURES, INSTEAD OF FILING SUCH PAPERS AFTER THE EARLIEST TIME SET FOR FILING SPECIFIED BY THAT SUBSECTION. UPON SUCH FILING AND VERIFICATION OF THE SIGNATURES, THE COMMISSION SHALL PAY THE AMOUNT SPECIFIED IN SUBSECTION A OF THIS SECTION IMMEDIATELY, RATHER THAN WAITING FOR THE BEGINNING OF THE PRIMARY ELECTION PERIOD.
- C. AT THE BEGINNING OF THE GENERAL ELECTION PERIOD, THE COMMISSION SHALL PAY FROM THE FUND TO THE CAMPAIGN ACCOUNT OF EACH CANDIDATE WHO QUALIFIES FOR CLEAN CAMPAIGN FUNDING FOR THE GENERAL ELECTION, EXCEPT THOSE CANDIDATES IDENTIFIED IN SUBSECTION A, PARAGRAPHS 2 OR 3 OR SUBSECTION D OF THIS SECTION, AN AMOUNT EQUAL TO THE ORIGINAL GENERAL ELECTION SPENDING LIMIT.
- D. AT THE BEGINNING OF THE GENERAL ELECTION PERIOD, THE COMMISSION SHALL PAY FROM THE FUND TO THE CAMPAIGN ACCOUNT OF A QUALIFIED PARTICIPATING CANDIDATE WHO HAS NOT RECEIVED FUNDS PURSUANT TO SUBSECTION A, PARAGRAPH 3 OF THIS SECTION AND WHO IS UNOPPOSED BY ANY OTHER PARTY NOMINEE OR ANY OPPOSING INDEPENDENT CANDIDATE AN AMOUNT EQUAL TO FIVE DOLLARS TIMES THE NUMBER OF QUALIFYING CONTRIBUTIONS FOR THAT CANDIDATE CERTIFIED BY THE COMMISSION.

E. THE SPECIAL ORIGINAL GENERAL ELECTION SPENDING LIMIT, FOR A CANDIDATE WHO HAS RECEIVED FUNDS PURSUANT TO SUBSECTION A, PARAGRAPHS 2 OR 3 OR SUBSECTION D OF THIS SECTION, SHALL BE EQUAL TO THE AMOUNT THAT THE COMMISSION IS OBLIGATED TO PAY TO THAT CANDIDATE.

#### 16-952. EQUAL FUNDING OF CANDIDATES.

- A. WHENEVER DURING A PRIMARY ELECTION PERIOD A REPORT IS FILED, OR OTHER INFORMATION COMES TO THE ATTEN-TION OF THE COMMISSION, INDICATING THAT A NONPARTICIPAT-ING CANDIDATE WHO IS NOT UNOPPOSED IN THAT PRIMARY HAS MADE EXPENDITURES DURING THE ELECTION CYCLE TO DATE EXCEEDING THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT, INCLUDING ANY PREVIOUS ADJUSTMENTS, THE COMMISSION SHALL IMMEDIATELY PAY FROM THE FUND TO THE CAMPAIGN ACCOUNT OF ANY PARTICIPATING CANDIDATE IN THE SAME PARTY PRIMARY AS THE NONPARTICIPATING CANDIDATE AN AMOUNT EQUAL TO ANY EXCESS OF THE REPORTED AMOUNT OVER THE PRIMARY ELECTION SPENDING LIMIT, AS PREVIOUSLY ADJUSTED, AND THE PRIMARY ELECTION SPENDING LIMIT FOR ALL SUCH PAR-TICIPATING CANDIDATES SHALL BE ADJUSTED BY INCREASING IT BY THE AMOUNT THAT THE COMMISSION IS OBLIGATED TO PAY TO A PARTICIPATING CANDIDATE.
- B. WHENEVER DURING A GENERAL ELECTION PERIOD A REPORT HAS BEEN FILED, OR OTHER INFORMATION COMES TO THE ATTENTION OF THE COMMISSION, INDICATING THAT THE AMOUNT A NONPARTICIPATING CANDIDATE WHO IS NOT UNOPPOSED HAS RECEIVED IN CONTRIBUTIONS DURING THE ELECTION CYCLE TO DATE LESS THE AMOUNT OF EXPENDITURES THE NONPARTICIPAT-ING CANDIDATE MADE THROUGH THE END OF THE PRIMARY ELEC-TION PERIOD EXCEEDS THE ORIGINAL GENERAL ELECTION SPENDING LIMIT, INCLUDING ANY PREVIOUS ADJUSTMENTS, THE COMMISSION SHALL IMMEDIATELY PAY FROM THE FUND TO THE CAMPAIGN ACCOUNT OF ANY PARTICIPATING CANDIDATE QUALI-FIED FOR THE BALLOT AND SEEKING THE SAME OFFICE AS THE NONPARTICIPATING CANDIDATE AN AMOUNT EQUAL TO ANY EXCESS OF THE REPORTED DIFFERENCE OVER THE GENERAL ELECTION SPENDING LIMIT, AS PREVIOUSLY ADJUSTED, AND THE GENERAL ELECTION SPENDING LIMIT FOR ALL SUCH PARTICIPAT-ING CANDIDATES SHALL BE ADJUSTED BY INCREASING IT BY THE AMOUNT THAT THE COMMISSION IS OBLIGATED TO PAY TO A PAR-TICIPATING CANDIDATE.
- C. FOR PURPOSES OF SUBSECTIONS A AND B OF THIS SECTION THE FOLLOWING EXPENDITURES REPORTED PURSUANT TO THIS ARTICLE SHALL BE TREATED AS FOLLOWS:
  - 1. INDEPENDENT EXPENDITURES AGAINST A PARTICI-PATING CANDIDATE SHALL BE TREATED AS EXPENDITURES OF EACH OPPOSING CANDIDATE, FOR PURPOSE OF SUBSECTION A

OF THIS SECTION, OR CONTRIBUTIONS TO EACH OPPOSING CANDIDATE, OR PURPOSE OF SUBSECTION B OF THIS SECTION.

- 2. INDEPENDENT EXPENDITURES IN FAVOR OF ONE OR MORE NONPARTICIPATING OPPONENTS OF A PARTICIPATING CANDIDATE SHALL BE TREATED AS EXPENDITURES OF THOSE NONPARTICIPATING CANDIDATES, FOR PURPOSE OF SUBSECTION A OF THIS SECTION, OR CONTRIBUTIONS TO THOSE NONPARTICIPATING CANDIDATES, FOR PURPOSE OF SUBSECTION B OF THIS SECTION.
- 3. INDEPENDENT EXPENDITURES IN FAVOR OF A PARTICIPATING CANDIDATE SHALL BE TREATED, FOR EVERY OPPOSING PARTICIPATING CANDIDATE, AS THOUGH THE INDEPENDENT EXPENDITURES WERE AN EXPENDITURE OF A NONPARTICIPATING OPPONENT, FOR PURPOSE OF SUBSECTION A OF THIS SECTION, OR A CONTRIBUTION TO A NONPARTICIPATING OPPONENT, FOR PURPOSE OF SUBSECTION B OF THIS SECTION.
- 4. EXPENDITURES MADE DURING THE PRIMARY ELECTION PERIOD BY OR ON BEHALF OF AN INDEPENDENT CANDIDATE OR A NONPARTICIPATING CANDIDATE WHO IS UNOPPOSED IN A PARTY PRIMARY, SHALL BE TREATED AS THOUGH MADE DURING THE GENERAL ELECTION PERIOD, AND EQUALIZING FUNDS PURSUANT TO SUBSECTION B OF THIS SECTION SHALL BE PAID AT THE START OF THE GENERAL ELECTION PERIOD.
- 5. EXPENDITURES MADE BEFORE THE GENERAL ELECTION PERIOD THAT CONSIST OF A CONTRACT, PROMISE, OR AGREEMENT TO MAKE AN EXPENDITURE DURING THE GENERAL ELECTION PERIOD RESULTING IN AN EXTENSION OF CREDIT SHALL BE TREATED AS THOUGH MADE DURING THE GENERAL ELECTION PERIOD, AND EQUALIZING FUNDS PURSUANT TO SUBSECTION B OF THIS SECTION SHALL BE PAID AT THE START OF THE GENERAL ELECTION PERIOD.
- 6. EXPENDITURES FOR OR AGAINST A PARTICIPATING CANDIDATE PROMOTING OR OPPOSING MORE THAN ONE CANDIDATE WHO ARE NOT RUNNING FOR THE SAME OFFICE SHALL BE ALLOCATED BY THE COMMISSION AMONG CANDIDATES FOR DIFFERENT OFFICES BASED ON THE RELATIVE SIZE OR LENGTH AND RELATIVE PROMINENCE OF THE REFERENCE TO CANDIDATES FOR DIFFERENT OFFICES.
- D. UPON APPLYING FOR CITIZEN FUNDING PURSUANT TO SECTION 16-950, A PARTICIPATING CANDIDATE FOR LEGISLATURE IN A ONE-PARTY-DOMINANT LEGISLATIVE DISTRICT WHO IS QUALIFIED FOR CLEAN CAMPAIGN FUNDING FOR THE PARTY PRIMARY ELECTION OF THE DOMINANT PARTY MAY CHOOSE TO REALLOCATE A PORTION OF FUNDS FROM THE GENERAL ELECTION PERIOD TO THE PRIMARY ELECTION PERIOD. AT THE BEGINNING OF THE PRIMARY ELECTION PERIOD. THE COMMISSION SHALL PAY FROM

THE FUND TO THE CAMPAIGN ACCOUNT OF A PARTICIPATING CAN-DIDATE WHO MAKES THIS CHOICE AN EXTRA AMOUNT EQUAL TO FIFTY PERCENT OF THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT, AND THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT FOR THE CANDIDATE WHO MAKES THIS CHOICE SHALL BE INCREASED BY THE EXTRA AMOUNT. FOR A PRIMARY ELECTION IN WHICH ONE OR MORE PARTICIPATING CANDIDATES HAVE MADE THIS CHOICE, FUNDS SHALL BE PAID UNDER SUBSECTIONS A AND B OF THIS SECTION ONLY TO THE EXTENT OF ANY EXCESS OVER THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT AS SO INCREASED. IF A PARTICIPATING CANDIDATE WHO MAKES THIS CHOICE BECOMES QUALIFIED FOR CLEAN CAMPAIGN FUNDING FOR THE GENERAL ELECTION, THE AMOUNT THE CANDIDATE RECEIVES AT THE BEGINNING OF THE GENERAL ELECTION PERIOD SHALL BE REDUCED BY THE EXTRA AMOUNT RECEIVED AT THE BEGINNING OF THE PRIMARY ELECTION PERIOD, AND THE ORIGI-NAL GENERAL ELECTION SPENDING LIMIT FOR THAT CANDIDATE SHALL BE REDUCED BY THE EXTRA AMOUNT. FOR A GENERAL ELECTION IN WHICH A PARTICIPATING CANDIDATE HAS MADE THIS CHOICE, FUNDS SHALL BE PAID UNDER SUBSECTIONS A AND B OF THIS SECTION ONLY TO THE EXTENT OF ANY EXCESS OVER THE ORIGINAL GENERAL ELECTION SPENDING LIMIT, WITHOUT SUCH REDUCTION, UNLESS THE CANDIDATE WHO HAS MADE THIS CHOICE IS THE ONLY PARTICIPATING CANDIDATE IN THE GENERAL ELECTION. IN WHICH CASE SUCH FUNDS SHALL BE PAID TO THE EXTENT OF EXCESS OVER THE ORIGINAL GENERAL ELECTION SPENDING LIMIT WITH SUCH REDUCTION. FOR PURPOSE OF THIS SUBSECTION, A ONE-PARTY-DOMINANT LEGISLATIVE DISTRICT IS A DISTRICT IN WHICH THE NUMBER OF REGISTERED VOTERS REG-ISTERED IN THE PARTY WITH THE HIGHEST NUMBER OF REGIS-TERED VOTERS EXCEEDS THE NUMBER OF REGISTERED VOTERS REGISTERED TO EACH OF THE OTHER PARTIES BY AN AMOUNT AT LEAST AS HIGH AS TEN PERCENT OF THE TOTAL NUMBER OF VOT-ERS REGISTERED IN THE DISTRICT. THE STATUS OF A DISTRICT AS A ONE-PARTY-DOMINANT LEGISLATIVE DISTRICT SHALL BE DETERMINED AS OF THE BEGINNING OF THE QUALIFYING PERIOD.

E. IF AN ADJUSTED SPENDING LIMIT REACHES THREE TIMES THE ORIGINAL SPENDING LIMIT FOR A PARTICULAR ELECTION, THEN THE COMMISSION SHALL NOT PAY ANY FURTHER AMOUNTS FROM THE FUND TO THE CAMPAIGN ACCOUNT OF ANY PARTICIPATING CANDIDATE, AND THE SPENDING LIMIT SHALL NOT BE ADJUSTED FURTHER.

16-953. <u>RETURN OF MONIES TO THE CITIZENS CLEAN ELEC</u>-TIONS FUND.

A. AT THE END OF THE PRIMARY ELECTION PERIOD, A PARTICIPATING CANDIDATE WHO HAS RECEIVED MONIES PURSUANT TO SECTION 16-951, SUBSECTION A, PARAGRAPH 1 SHALL RETURN TO THE FUND ALL MONIES IN THE CANDIDATE'S CAMPAIGN

ACCOUNT ABOVE AN AMOUNT SUFFICIENT TO PAY ANY UNPAID BILLS FOR EXPENDITURES MADE DURING THE PRIMARY ELECTION PERIOD AND FOR GOODS OR SERVICES DIRECTED TO THE PRIMARY ELECTION.

- B. AT THE END OF THE GENERAL ELECTION PERIOD, A PARTICIPATING CANDIDATE SHALL RETURN TO THE FUND ALL MONIES IN THE CANDIDATE'S CAMPAIGN ACCOUNT ABOVE AN AMOUNT SUFFICIENT TO PAY ANY UNPAID BILLS FOR EXPENDITURES MADE BEFORE THE GENERAL ELECTION AND FOR GOODS OR SERVICES DIRECTED TO THE GENERAL ELECTION.
- C. A PARTICIPATING CANDIDATE SHALL PAY ALL UNCONTESTED AND UNPAID BILLS REFERENCED IN THIS SECTION NO LATER THAN THIRTY DAYS AFTER THE PRIMARY OR GENERAL ELECTION. A PARTICIPATING CANDIDATE SHALL MAKE MONTHLY REPORTS TO THE COMMISSION CONCERNING THE STATUS OF THE DISPUTE OVER ANY CONTESTED BILLS. ANY MONIES IN A CANDIDATE'S CAMPAIGN ACCOUNT AFTER PAYMENT OF BILLS SHALL BE RETURNED PROMPTLY TO THE FUND.
- D. IF A PARTICIPATING CANDIDATE IS REPLACED PURSUANT TO SECTION 16-343, AND THE REPLACEMENT CANDIDATE FILES AN OATH WITH THE SECRETARY OF STATE CERTIFYING TO SECTION 16-947, SUBSECTION B, PARAGRAPH 3, THE CAMPAIGN ACCOUNT OF THE PARTICIPATING CANDIDATE SHALL BE TRANSFERRED TO THE REPLACEMENT CANDIDATE AND THE COMMISSION SHALL CERTIFY THE REPLACEMENT CANDIDATE AS A PARTICIPATING CANDIDATE WITHOUT REQUIRING COMPLIANCE WITH SECTION 16-950 OR THE REMAINDER OF SECTION 16-947. IF THE REPLACEMENT CANDIDATE DOES NOT FILE SUCH AN OATH, THE CAMPAIGN ACCOUNT SHALL BE LIQUIDATED AND ALL REMAINING MONIES RETURNED TO THE FUND.

16-954. <u>CLEAN ELECTIONS TAX REDUCTION; RETURN OF</u> EXCESS MONIES.

- A. FOR TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 1998, A TAXPAYER WHO FILES ON A STATE INCOME TAX RETURN FORM MAY DESIGNATE A FIVE-DOLLAR VOLUNTARY CONTRIBUTION PER TAXPAYER TO THE FUND BY MARKING AN OPTIONAL CHECK-OFF BOX ON THE FIRST PAGE OF THE FORM. A TAXPAYER WHO CHECKS THIS BOX SHALL RECEIVE A FIVE-DOLLAR REDUCTION IN THE AMOUNT OF TAX, AND FIVE DOLLARS FROM THE AMOUNT OF TAXES PAID SHALL BE TRANSFERRED BY THE DEPARTMENT OF REVENUE TO THE FUND. THE DEPARTMENT OF REVENUE SHALL PROVIDE CHECK-OFF BOXES, IDENTIFIED AS THE CLEAN ELECTIONS FUND TAX REDUCTION, ON THE FIRST PAGE OF INCOME TAX RETURN FORMS, FOR DESIGNATIONS PURSUANT TO THIS SUBSECTION.
- B. ANY TAXPAYER MAY MAKE A VOLUNTARY DONATION TO THE FUND BY DESIGNATING THE FUND ON AN INCOME TAX RETURN FORM FILED BY THE INDIVIDUAL OR BUSINESS ENTITY

OR BY MAKING A PAYMENT DIRECTLY TO THE FUND. ANY TAX-PAYER MAKING A DONATION PURSUANT TO THIS SUBSECTION SHALL RECEIVE A DOLLAR-FOR-DOLLAR TAX CREDIT NOT TO EXCEED TWENTY PERCENT OF THE TAX AMOUNT ON THE RETURN OR FIVE HUNDRED DOLLARS PER TAXPAYER, WHICHEVER IS HIGHER. DONATIONS MADE PURSUANT TO THIS SECTION ARE OTHERWISE NOT TAX DEDUCTIBLE AND CANNOT BE DESIGNATED AS FOR THE BENEFIT OF A PARTICULAR CANDIDATE, POLITICAL PARTY, OR ELECTION CONTEST. THE DEPARTMENT OF REVENUE SHALL TRANSFER TO THE FUND ALL DONATIONS MADE PURSUANT TO THIS SUBSECTION. THE DEPARTMENT OF REVENUE SHALL PROVIDE A SPACE, IDENTIFIED AS THE CLEAN ELECTIONS FUND TAX CREDIT, ON THE FIRST PAGE OF INCOME TAX RETURN FORMS, FOR DONATIONS PURSUANT TO THIS SUBSECTION.

- C. BEGINNING JANUARY 1, 1999, AN ADDITIONAL SURCHARGE OF TEN PERCENT SHALL BE IMPOSED ON ALL CIVIL AND CRIMINAL FINES AND PENALTIES COLLECTED PURSUANT TO SECTION 12-116.01 AND SHALL BE DEPOSITED INTO THE FUND.
- D. AT LEAST ONCE PER YEAR, THE COMMISSION SHALL PROJECT THE AMOUNT OF MONIES THAT THE FUND WILL COLLECT OVER THE NEXT FOUR YEARS AND THE TIME SUCH MONIES SHALL BECOME AVAILABLE. WHENEVER THE COMMISSION DETERMINES THAT THE FUND CONTAINS MORE MONIES THAN THE COMMISSION DETERMINES THAT IT REQUIRES TO MEET CURRENT DEBTS PLUS EXPECTED EXPENSES, UNDER THE ASSUMPTION THAT EXPECTED EXPENSES WILL BE AT THE EXPENDITURE LIMIT IN SECTION 16-949, SUBSECTION A, AND TAKING INTO ACCOUNT THE PROJECTIONS OF COLLECTIONS, THE COMMISSION SHALL DESIGNATE SUCH MONIES AS EXCESS MONIES AND SO NOTIFY THE STATE TREASURER, WHO SHALL THEREUPON RETURN THE EXCESS MONIES TO THE GENERAL FUND.
- E. AT LEAST ONCE PER YEAR, THE COMMISSION SHALL PROJECT THE AMOUNT OF CITIZEN FUNDING FOR WHICH ALL CANDIDATES WILL HAVE QUALIFIED PURSUANT TO THIS ARTICLE FOR THE FOLLOWING CALENDAR YEAR. BY THE END OF EACH YEAR, THE COMMISSION SHALL ANNOUNCE WHETHER THE AMOUNT THAT THE COMMISSION PLANS TO SPEND THE FOLLOWING YEAR PURSUANT TO SECTION 16-949, SUBSECTION A EXCEEDS THE PROJECTED AMOUNT OF CITIZEN FUNDING. IF THE COMMISSION DETERMINES THAT THE FUND CONTAINS INSUFFICIENT MONIES OR THE SPENDING CAP WOULD BE EXCEEDED WERE ALL CANDIDATE'S ACCOUNTS TO BE FULLY FUNDED, THEN THE COMMISSION MAY INCLUDE IN THE ANNOUNCEMENT SPECIFICATIONS FOR DECREASES IN THE FOLLOWING PARAMETERS, BASED ON THE COMMISSION'S PROJECTIONS OF COLLECTIONS AND EXPENSES FOR THE FUND, MADE IN THE FOLLOWING ORDER:
  - 1. FIRST, THE COMMISSION MAY ANNOUNCE A DECREASE IN THE MATCHING CAP UNDER SECTION 16-952,

SUBSECTION E FROM THREE TIMES TO AN AMOUNT BETWEEN THREE AND ONE TIMES.

- 2. NEXT, THE COMMISSION MAY ANNOUNCE THAT THE FUND WILL PROVIDE EQUALIZATION MONIES UNDER SECTION 16-952, SUBSECTIONS A AND B AS A FRACTION OF THE AMOUNTS THERE SPECIFIED.
- 3. FINALLY, THE COMMISSION MAY ANNOUNCE THAT THE FUND WILL PROVIDE MONIES UNDER SECTION 16-951 AS A FRACTION OF THE AMOUNTS THERE SPECIFIED.
- F. IF THE COMMISSION CANNOT PROVIDE PARTICIPATING CANDIDATES WITH ALL MONIES SPECIFIED UNDER SECTIONS 16-951 AND 16-952, AS DECREASED BY ANY ANNOUNCEMENT PURSUANT TO SUBSECTION E OF THIS SECTION, THEN THE COMMISSION SHALL ALLOCATE ANY REDUCTIONS IN PAYMENTS PROPORTIONATELY AMONG CANDIDATES ENTITLED TO MONIES AND SHALL DECLARE AN EMERGENCY. UPON DECLARATION OF AN EMERGENCY, A PARTICIPATING CANDIDATE MAY ACCEPT PRIVATE CONTRIBUTIONS TO BRING THE TOTAL MONIES RECEIVED BY THE CANDIDATE FROM THE FUND AND FROM SUCH PRIVATE CONTRIBUTIONS UP TO THE ADJUSTED SPENDING LIMITS, AS DECREASED BY ANY ANNOUNCEMENT MADE PURSUANT TO SUBSECTION E OF THIS SECTION.
- 16-955. <u>CITIZENS CLEAN ELECTION COMMISSION; STRUCTURE.</u>
- A. THE CITIZENS CLEAN ELECTIONS COMMISSION IS ESTABLISHED CONSISTING OF FIVE MEMBERS. NO MORE THAN TWO MEMBERS OF THE COMMISSION SHALL BE MEMBERS OF THE SAME POLITICAL PARTY. NO MORE THAN TWO MEMBERS OF THE COMMISSION SHALL BE RESIDENTS OF THE SAME COUNTY. NO ONE SHALL BE APPOINTED AS A MEMBER WHO DOES NOT HAVE A REGISTRATION PURSUANT TO CHAPTER 1 OF THIS TITLE THAT HAS BEEN CONTINUOUSLY RECORDED FOR AT LEAST FIVE YEARS IMMEDIATELY PRECEDING APPOINTMENT WITH THE SAME POLITICAL PARTY OR AS AN INDEPENDENT.
- B. THE COMMISSION ON APPELLATE COURT APPOINTMENTS SHALL NOMINATE CANDIDATES FOR VACANT COMMISSIONER POSITIONS WHO ARE COMMITTED TO ENFORCING THIS ARTICLE IN AN HONEST, INDEPENDENT, AND IMPARTIAL FASHION AND TO SEEKING TO UPHOLD PUBLIC CONFIDENCE IN THE INTEGRITY OF THE ELECTORAL SYSTEM. EACH CANDIDATE SHALL BE A QUALIFIED ELECTOR WHO HAS NOT, IN THE PREVIOUS FIVE YEARS IN THIS STATE, BEEN APPOINTED TO, BEEN ELECTED TO, OR RUN FOR ANY PUBLIC OFFICE, INCLUDING PRECINCT COMMITTEEMAN, OR SERVED AS AN OFFICER OF A POLITICAL PARTY.
- C. INITIALLY, THE COMMISSION ON APPELLATE COURT APPOINTMENTS SHALL NOMINATE FIVE SLATES, EACH HAVING THREE CANDIDATES, BEFORE JANUARY 1, 1999. NO LATER THAN FEBRUARY 1, 1999, THE GOVERNOR SHALL SELECT ONE CANDI-

DATE FROM ONE OF THE SLATES TO SERVE ON THE COMMISSION FOR A TERM ENDING JANUARY 31, 2004. NEXT, THE HIGHEST-RANK-ING OFFICIAL HOLDING A STATEWIDE OFFICE WHO IS NOT A MEM-BER OF THE SAME POLITICAL PARTY AS THE GOVERNOR SHALL SELECT ONE CANDIDATE FROM ANOTHER ONE OF THE SLATES TO SERVE ON THE COMMISSION FOR A TERM ENDING JANUARY 31, 2003. NEXT, THE SECOND-HIGHEST-RANKING OFFICIAL HOLDING A STATEWIDE OFFICE WHO IS A MEMBER OF THE SAME POLITICAL PARTY AS THE GOVERNOR SHALL SELECT ONE CANDIDATE FROM ONE OF THE THREE REMAINING SLATES TO SERVE ON THE COM-MISSION FOR A TERM ENDING JANUARY 31, 2002. NEXT, THE SEC-OND-HIGHEST-RANKING OFFICIAL HOLDING A STATEWIDE OFFICE WHO IS NOT A MEMBER OF THE SAME POLITICAL PARTY AS THE GOVERNOR SHALL SELECT ONE CANDIDATE FROM ONE OF THE TWO REMAINING SLATES TO SERVE ON THE COMMISSION FOR A TERM ENDING JANUARY 31, 2001. FINALLY, THE THIRD-HIGHEST-RANKING OFFICIAL HOLDING A STATEWIDE OFFICE WHO IS A MEMBER OF THE SAME POLITICAL PARTY AS THE GOVERNOR SHALL ELECT ONE CANDIDATE FROM THE LAST SLATE TO SERVE ON THE COMMISSION FOR A TERM ENDING JANUARY 31, 2000. FOR PURPOSE OF THIS SECTION, THE RANKING OF OFFICIALS HOLDING STATEWIDE OFFICE SHALL BE GOVERNOR, SECRETARY OF STATE, ATTORNEY GENERAL, TREASURER, SUPERINTENDENT OF PUBLIC INSTRUCTION, CORPORATION COMMISSIONERS IN ORDER OF SENIORITY, MINE INSPECTOR, THE MEMBERS OF THE SUPREME COURT IN ORDER OF SENIORITY, SENATE MAJORITY AND MINOR-ITY LEADERS, AND HOUSE MAJORITY AND MINORITY LEADERS.

- D. ONE COMMISSIONER SHALL BE APPOINTED FOR A FIVE-YEAR TERM BEGINNING FEBRUARY 1 OF EVERY YEAR BEGINNING WITH THE YEAR 2000. THE COMMISSION ON APPELLATE COURT APPOINTMENTS SHALL NOMINATE ONE SLATE OF THREE CANDIDATES BEFORE JANUARY 1 OF EACH YEAR BEGINNING IN THE YEAR 2000, AND THE GOVERNOR AND THE HIGHEST-RANKING OFFICIAL HOLDING A STATEWIDE OFFICE WHO IS NOT A MEMBER OF THE SAME POLITICAL PARTY AS THE GOVERNOR SHALL ALTERNATE FILLING SUCH VACANCIES. THE VACANCY IN THE YEAR 2000 SHALL BE FILLED BY THE GOVERNOR.
- E. MEMBERS OF THE COMMISSION MAY BE REMOVED BY THE GOVERNOR, WITH CONCURRENCE OF THE SENATE, FOR SUBSTANTIAL NEGLECT OF DUTY, GROSS MISCONDUCT IN OFFICE, INABILITY TO DISCHARGE THE POWERS AND DUTIES OF OFFICE, OR VIOLATION OF THIS SECTION, AFTER WRITTEN NOTICE AND OPPORTUNITY FOR A RESPONSE.
- F. IF A COMMISSIONER DOES NOT COMPLETE HIS OR HER TERM OF OFFICE FOR ANY REASON, THE COMMISSION ON APPELLATE COURT APPOINTMENTS SHALL NOMINATE ONE SLATE OF THREE CANDIDATES AS SOON AS POSSIBLE IN THE FIRST THIRTY DAYS AFTER THE COMMISSIONER VACATES HIS OR HER OFFICE

AND A REPLACEMENT SHALL BE SELECTED FROM THE SLATE WITHIN THIRTY DAYS OF NOMINATION OF THE SLATE. THE HIGH-EST-RANKING OFFICIAL HOLDING A STATEWIDE OFFICE WHO IS A MEMBER OF THE POLITICAL PARTY OF THE OFFICIAL WHO NOMINATED THE COMMISSIONER WHO VACATED OFFICE SHALL NOMINATE THE REPLACEMENT, WHO SHALL SERVE AS COMMISSIONER FOR THE UNEXPIRED PORTION OF THE TERM. A VACANCY OR VACANCIES SHALL NOT IMPAIR THE RIGHT OF THE REMAINING MEMBERS TO EXERCISE ALL OF THE POWERS OF THE BOARD.

- G. COMMISSIONERS ARE ELIGIBLE TO RECEIVE COMPENSATION IN AN AMOUNT OF TWO HUNDRED DOLLARS FOR EACH DAY ON WHICH THE COMMISSION MEETS AND REIMBURSEMENT OF EXPENSES PURSUANT TO TITLE 38, CHAPTER 4, ARTICLE 2.
- H. THE COMMISSIONERS SHALL ELECT A CHAIR TO SERVE FOR EACH CALENDAR-YEAR PERIOD FROM AMONG THEIR MEMBERS WHOSE TERMS EXPIRE AFTER THE CONCLUSION OF THAT YEAR. THREE COMMISSIONERS SHALL CONSTITUTE A QUORUM.
- I. A MEMBER OF THE COMMISSION SHALL SERVE NO MORE THAN ONE TERM AND IS NOT ELIGIBLE FOR REAPPOINTMENT. NO COMMISSIONER, DURING HIS OR HER TENURE OR FOR THREE YEARS THEREAFTER, SHALL SEEK OR HOLD ANY OTHER PUBLIC OFFICE, SERVE AS AN OFFICER OF ANY POLITICAL COMMITTEE, OR EMPLOY OR BE EMPLOYED AS A LOBBYIST.
- J. THE COMMISSION SHALL APPOINT AN EXECUTIVE DIRECTOR WHO SHALL NOT BE A MEMBER OF THE COMMISSION AND WHO SHALL SERVE AT THE PLEASURE OF THE COMMISSION. THE EXECUTIVE DIRECTOR IS ELIGIBLE TO RECEIVE COMPENSATION SET BY THE BOARD WITHIN THE RANGE DETERMINED UNDER SECTION 38-611. THE EXECUTIVE DIRECTOR, SUBJECT TO TITLE 41, CHAPTER 4, ARTICLES 5 AND 6, SHALL EMPLOY, DETERMINE THE CONDITIONS OF EMPLOYMENT, AND SPECIFY THE DUTIES OF ADMINISTRATIVE, SECRETARIAL, AND CLERICAL EMPLOYEES AS THE DIRECTOR DEEMS NECESSARY.

# 16-956. <u>VOTER EDUCATION AND ENFORCEMENT DUTIES</u>. A. THE COMMISSION SHALL:

1. DEVELOP, IN CONSULTATION WITH THE COUNTY RECORDERS, A PROCEDURE FOR INCLUDING, WITH BALLOTS MAILED TO ELECTORS CASTING EARLY BALLOTS PURSUANT TO SECTION 16-542, SUBSECTION C AND WITH THE SAMPLE BALLOTS MAILED TO OTHER ELECTORS PURSUANT TO SECTION 16-461, SUBSECTION D AND SECTION 16-510, SUBSECTION C, A DOCUMENT OR SECTION OF A DOCUMENT HAVING A SPACE OF PREDEFINED SIZE FOR A MESSAGE CHOSEN BY EACH CANDIDATE. THE BOARD OF SUPERVISORS SHALL PRESENT TO THE COMMISSION A CERTIFIED CLAIM FOR THE ACTUAL EXTRA COST OF INCLUDING THE MESSAGES IN SUCH MAILINGS IN ACCORDANCE WITH THE PROCEDURE DEVELOPED,

AND THE COMMISSION SHALL DIRECT PAYMENT OF THE AUTHENTICATED CLAIMS FROM THE FUND.

- 2. SPONSOR DEBATES AMONG CANDIDATES, IN SUCH MANNER AS DETERMINED BY THE COMMISSION. THE COMMISSION SHALL REQUIRE PARTICIPATING CANDIDATES TO ATTEND AND PARTICIPATE IN DEBATES AND MAY SPECIFY BY RULE PENALTIES FOR NONPARTICIPATION. THE COMMISSION SHALL INVITE AND PERMIT NONPARTICIPATING CANDIDATES TO PARTICIPATE IN DEBATES.
- B. THE COMMISSION SHALL:
- 1. PRESCRIBE FORMS FOR REPORTS, STATEMENTS, NOTICES, AND OTHER DOCUMENTS REQUIRED BY THIS ARTICLE.
- 2. PREPARE AND PUBLISH INSTRUCTIONS SETTING FORTH METHODS OF BOOKKEEPING AND PRESERVATION OF RECORDS TO FACILITATE COMPLIANCE WITH THIS ARTICLE AND EXPLAINING THE DUTIES OF PERSONS AND COMMITTEES UNDER THIS ARTICLE.
- 3. PRODUCE A YEARLY REPORT DESCRIBING THE COM-MISSION'S ACTIVITIES, ANY RECOMMENDATIONS FOR CHANGES OF LAW, ADMINISTRATION, OR FUNDING AMOUNTS, AND ACCOUNTING FOR MONIES IN THE FUND.
- 4. ADOPT RULES TO IMPLEMENT THE REPORTING REQUIREMENTS OF SECTION 16-958, SUBSECTIONS D AND E.
- 5. ENFORCE THE PROVISIONS OF THIS ARTICLE, ENSURE THAT MONEY FROM THE FUND IS PLACED IN CANDIDATE CAMPAIGN ACCOUNTS OR OTHERWISE SPENT AS SPECIFIED IN THIS ARTICLE AND NOT OTHERWISE, MONITOR REPORTS FILED PURSUANT TO THIS CHAPTER AND FINANCIAL RECORDS OF CANDIDATES AS NEEDED TO ENSURE THAT EQUALIZATION MONIES ARE PAID PROMPTLY TO OPPOSING QUALIFIED CANDIDATES UNDER SECTION 16-952, AND ENSURE THAT MONEY REQUIRED BY THIS ARTICLE TO BE PAID TO THE FUND IS DEPOSITED IN THE FUND.
- C. THE COMMISSION MAY SUBPOENA WITNESSES, COMPEL THEIR ATTENDANCE AND TESTIMONY, ADMINISTER OATHS AND AFFIRMATIONS, TAKE EVIDENCE, AND REQUIRE BY SUBPOENA THE PRODUCTION OF ANY BOOKS, PAPERS, RECORDS, OR OTHER ITEMS MATERIAL TO THE PERFORMANCE OF THE COMMISSION'S DUTIES OR THE EXERCISE OF ITS POWERS.
- D. THE COMMISSION MAY ADOPT RULES TO CARRY OUT THE PURPOSES AND PROVISION OF THIS ARTICLE AND TO GOVERN PROCEDURES OF THE COMMISSION. COMMISSION RULEMAKING IS EXEMPT FROM TITLE 41, ARTICLE 3, CHAPTER 6, EXCEPT THAT THE COMMISSION SHALL SUBMIT THE RULES FOR PUBLICATION AND THE SECRETARY OF STATE SHALL PUBLISH THE RULES IN THE ARIZONA ADMINISTRATIVE REGISTER. THE COMMISSION SHALL PROPOSE AND ADOPT RULES IN PUBLIC MEETINGS, WITH AT LEAST

SIXTY DAYS ALLOWED FOR INTERESTED PARTIES TO COMMENT AFTER THE RULES ARE PROPOSED.

E. BASED ON THE RESULTS OF THE ELECTIONS IN THE YEAR 2002 OR ANY QUADRENNIAL ELECTION THEREAFTER, AND WITHIN SIX MONTHS AFTER SUCH ELECTION, THE COMMISSION MAY ADOPT RULES CHANGING THE NUMBER OF QUALIFYING CONTRIBUTIONS REQUIRED FOR ANY OFFICE FROM THOSE LISTED IN SECTION 16-950, SUBSECTION D, BY NO MORE THAN TWENTY PERCENT OF THE NUMBER APPLICABLE FOR THE PRECEDING ELECTION.

#### 16-957. ENFORCEMENT PROCEDURE.

A. IF THE COMMISSION FINDS THAT THERE IS REASON TO BELIEVE THAT A PERSON HAS VIOLATED ANY PROVISION OF THIS ARTICLE, THE COMMISSION SHALL SERVE ON THAT PERSON AN ORDER STATING WITH REASONABLE PARTICULARITY THE NATURE OF THE VIOLATION AND REQUIRING COMPLIANCE WITHIN FOURTEEN DAYS. DURING THAT PERIOD, THE ALLEGED VIOLATOR MAY PROVIDE ANY EXPLANATION TO THE COMMISSION, COMPLY WITH THE ORDER, OR ENTER INTO A PUBLIC ADMINISTRATIVE SETTLEMENT WITH THE COMMISSION.

B. UPON EXPIRATION OF THE FOURTEEN DAYS, IF THE COMMISSION FINDS THAT THE ALLEGED VIOLATOR REMAINS OUT OF COMPLIANCE, THE COMMISSION SHALL MAKE A PUBLIC FINDING TO THAT EFFECT AND ISSUE AN ORDER ASSESSING A CIVIL PENALTY IN ACCORDANCE WITH SECTION 16-942, UNLESS THE COMMISSION PUBLISHES FINDINGS OF FACT AND CONCLUSIONS OF LAW EXPRESSING GOOD CAUSE FOR REDUCING OR EXCUSING THE PENALTY. THE VIOLATOR HAS FOURTEEN DAYS FROM THE DATE OF ISSUANCE OF THE ORDER ASSESSING THE PENALTY TO APPEAL TO THE SUPERIOR COURT AS PROVIDED IN TITLE 12, CHAPTER 7, ARTICLE 6.

C. ANY CANDIDATE IN A PARTICULAR ELECTION CONTEST WHO BELIEVES THAT ANY OPPOSING CANDIDATE HAS VIOLATED THIS ARTICLE FOR THAT ELECTION MAY FILE A COMPLAINT WITH THE COMMISSION REQUESTING THAT ACTION BE TAKEN PURSUANT TO THIS SECTION. IF THE COMMISSION FAILS TO MAKE A FINDING UNDER SUBSECTION A OF THIS SECTION WITHIN THIRTY DAYS AFTER THE FILING OF SUCH A COMPLAINT, THE CANDIDATE MAY BRING A CIVIL ACTION IN THE SUPERIOR COURT TO IMPOSE THE CIVIL PENALTIES PRESCRIBED IN THIS SECTION.

#### 16-958. MANNER OF FILING REPORTS.

A. ANY PERSON WHO HAS PREVIOUSLY REACHED THE DOLLAR AMOUNT SPECIFIED IN SECTION 16-941, SUBSECTION D FOR FILING AN ORIGINAL REPORT SHALL FILE A SUPPLEMENTAL REPORT EACH TIME PREVIOUSLY UNREPORTED INDEPENDENT EXPENDITURES SPECIFIED BY THAT SUBSECTION EXCEEDS ONE THOUSAND DOLLARS. ANY PERSON WHO HAS PREVIOUSLY REACHED THE DOLLAR AMOUNTS SPECIFIED IN SECTION 16-941, SUBSECTION B, PARAGRAPH 2 FOR FILING AN ORIGINAL REPORT

SHALL FILE A SUPPLEMENTAL REPORT TO DECLARE THAT PREVIOUSLY UNREPORTED EXPENDITURES OR CONTRIBUTIONS SPECIFIED BY THAT PARAGRAPH EXCEED (1) TEN PERCENT OF THE ORIGINAL PRIMARY ELECTION SPENDING LIMIT OR TWENTY-FIVE THOUSAND DOLLARS, WHICHEVER IS LOWER, BEFORE THE GENERAL ELECTION PERIOD, OR (2) TEN PERCENT OF THE ORIGINAL GENERAL ELECTION SPENDING LIMIT OR TWENTY-FIVE THOUSAND DOLLARS, WHICHEVER IS LOWER, DURING THE GENERAL ELECTION PERIOD. SUCH REPORTS SHALL BE FILED AT THE TIMES SPECIFIED IN SUBSECTION B OF THIS SECTION AND SHALL IDENTIFY THE DOLLAR AMOUNT BEING REPORTED, THE CANDIDATE, AND THE DATE.

- B. ANY PERSON WHO MUST FILE AN ORIGINAL REPORT PURSUANT TO SECTION 16-941, SUBSECTION B, PARAGRAPH 2 OR SUBSECTION D, OR WHO MUST FILE A SUPPLEMENTAL REPORT FOR PREVIOUSLY UNREPORTED AMOUNTS PURSUANT TO SUBSECTION A OF THIS SECTION, SHALL FILE AS FOLLOWS:
  - 1. BEFORE THE BEGINNING OF THE PRIMARY ELECTION PERIOD, THE PERSON SHALL FILE A REPORT ON THE FIRST OF EACH MONTH, UNLESS THE PERSON HAS NOT REACHED THE DOLLAR AMOUNT FOR FILING AN ORIGINAL OR SUPPLEMENTAL REPORT ON THAT DATE.
  - 2. THEREAFTER, EXCEPT AS STATED IN PARAGRAPH 3 OF THIS SUBSECTION, THE PERSON SHALL FILE A REPORT ON ANY TUESDAY BY WHICH THE PERSON HAS REACHED THE DOLLAR AMOUNT FOR FILING AN ORIGINAL OR SUPPLEMENTAL REPORT.
  - 3. DURING THE LAST TWO WEEKS BEFORE THE PRIMARY ELECTION AND THE LAST TWO WEEKS BEFORE THE GENERAL ELECTION, THE PERSON SHALL FILE A REPORT WITHIN ONE BUSINESS DAY OF REACHING THE DOLLAR AMOUNT FOR FILING AN ORIGINAL OR SUPPLEMENTAL REPORT.
- C. ANY FILING UNDER THIS ARTICLE ON BEHALF OF A CANDIDATE MAY BE MADE BY THE CANDIDATE'S CAMPAIGN COMMITTEE. ALL CANDIDATES SHALL DEPOSIT ANY CHECK RECEIVED BY AND INTENDED FOR THE CAMPAIGN AND MADE PAYABLE TO THE CANDIDATE OR THE CANDIDATE'S CAMPAIGN COMMITTEE, AND ALL CASH RECEIVED BY AND INTENDED FOR THE CAMPAIGN, IN THE CANDIDATE'S CAMPAIGN ACCOUNT BEFORE THE DUE DATE OF THE NEXT REPORT SPECIFIED IN SUBSECTION B OF THIS SECTION. NO CANDIDATE OR PERSON ACTING ON BEHALF OF A CANDIDATE SHALL CONSPIRE WITH A DONOR TO POSTPONE DELIVERY OF A DONATION TO THE CAMPAIGN FOR THE PURPOSE OF POSTPONING THE REPORTING OF THE DONATION IN ANY SUBSEQUENT REPORT.
- D. THE SECRETARY OF STATE SHALL IMMEDIATELY NOTIFY THE COMMISSION OF THE FILING OF EACH REPORT UNDER THIS SECTION AND DELIVER A COPY OF THE REPORT TO THE COMMIS-

SION, AND THE COMMISSION SHALL PROMPTLY MAIL OR OTHERWISE DELIVER A COPY OF EACH REPORT FILED PURSUANT TO THIS SECTION TO ALL PARTICIPATING CANDIDATES OPPOSING THE CANDIDATE IDENTIFIED IN SECTION 16-941, SUBSECTION B, PARAGRAPH 2 OR SUBSECTION D.

- E. ANY REPORT FILED PURSUANT TO THIS SECTION OR SECTION 16-916, SUBSECTION A, PARAGRAPH 1 OR SUBSECTION B SHALL BE FILED IN ELECTRONIC FORMAT. THE SECRETARY OF STATE SHALL DISTRIBUTE COMPUTER SOFTWARE TO POLITICAL COMMITTEES TO ACCOMMODATE SUCH ELECTRONIC FILING.
- F. DURING THE PRIMARY ELECTION PERIOD AND THE GENERAL ELECTION PERIOD, ALL CANDIDATES SHALL MAKE AVAILABLE FOR PUBLIC INSPECTION ALL BANK ACCOUNTS, CAMPAIGN FINANCE REPORTS, AND FINANCIAL RECORDS RELATING TO THE CANDIDATE'S CAMPAIGN, EITHER BY IMMEDIATE DISCLOSURE THROUGH ELECTRONIC MEANS OR AT THE CANDIDATE'S CAMPAIGN HEADQUARTERS, IN ACCORDANCE WITH RULES ADOPTED BY THE COMMISSION.

16-959. <u>INFLATIONARY AND OTHER ADJUSTMENTS OF DOLLAR</u> VALUES

- A. EVERY TWO YEARS, THE SECRETARY OF STATE SHALL MODIFY THE DOLLAR VALUES SPECIFIED IN THE FOLLOWING PARTS OF THIS ARTICLE, IN THE MANNER SPECIFIED BY SECTION 16-905, SUBSECTION J, TO ACCOUNT FOR INFLATION: SECTION 16-941. SUBSECTION A. PARAGRAPH 2 OR SUBSECTION D: SECTION 16-942, SUBSECTION B; SECTION 16-944; SECTION 16-945, SUBSECTION A, PARAGRAPHS 1 AND 2; SECTION 16-948, PARAGRAPH C; SECTION 16-954, SUBSECTION B; SECTION 16-955, SUBSECTION G; AND SEC-TION 16-961, SUBSECTIONS G AND H. IN ADDITION, THE SECRETARY OF STATE SHALL MAKE A SIMILAR INFLATION ADJUSTMENT BY MODIFYING THE DOLLAR VALUES IN SECTION 16-949, SUBSECTION A AND SECTION 16-954, SUBSECTION A TO THE NEAREST DOLLAR. IN ADDITION, EVERY TWO YEARS, THE SECRETARY OF STATE SHALL CHANGE THE DOLLAR VALUES IN SECTION 16-961, SUBSEC-TIONS G AND H IN PROPORTION TO THE CHANGE IN THE NUMBER OF ARIZONA RESIDENT PERSONAL INCOME TAX RETURNS FILED DURING THE PREVIOUS CALENDAR YEAR.
- B. BASED ON THE RESULTS OF THE ELECTIONS IN THE YEAR 2002 OR ANY QUADRENNIAL ELECTION THEREAFTER, AND WITHIN SIX MONTHS AFTER SUCH ELECTION, THE COMMISSION MAY ADOPT RULES IN A PUBLIC MEETING REALLOCATING FUNDS AVAILABLE TO ALL CANDIDATES BETWEEN THE PRIMARY AND GENERAL ELECTIONS BY SELECTING A FRACTION FOR PRIMARY ELECTION SPENDING LIMITS THAT IS BETWEEN ONE THIRD AND ONE HALF OF THE SPENDING LIMITS FOR THE ELECTION AS A WHOLE. FOR EACH OFFICE, THE PRIMARY ELECTION SPENDING LIMIT SHALL BE MODIFIED TO BE THE SUM OF THE PRIMARY AND GENERAL SPENDING LIMITS TIMES THE SELECTED FRACTION, AND

THE GENERAL ELECTION SPENDING LIMIT SHALL BE MODIFIED TO BE THE SAME SUM TIMES ONE LESS THE SELECTED FRACTION.

16-960. SEVERABILITY.

IF A PROVISION OF THIS ACT OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF THE ACT THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS ACT ARE SEVERABLE. IN ANY COURT CHALLENGE TO THE VALIDITY OF THIS ARTICLE, THE COMMISSION AND ARIZONANS FOR CLEAN ELECTIONS SHALL HAVE STANDING TO INTERVENE.

16-961. **DEFINITIONS**.

- A. THE TERMS "CANDIDATE'S CAMPAIGN COMMITTEE," "CONTRIBUTION," "EXPENDITURES," "EXPLORATORY COMMITTEE," "INDEPENDENT EXPENDITURE," "PERSONAL MONIES," "POLITICAL COMMITTEE," AND "STATEWIDE OFFICE" ARE DEFINED IN SECTION 16-901.
  - B. 1. "ELECTION CYCLE" MEANS THE PERIOD BETWEEN SUCCESSIVE GENERAL ELECTIONS FOR A PARTICULAR OFFICE.
  - 2. "EXPLORATORY PERIOD" MEANS THE PERIOD BEGINNING ON THE DAY AFTER A GENERAL ELECTION AND ENDING THE DAY BEFORE THE START OF THE QUALIFYING PERIOD.
  - 3. "QUALIFYING PERIOD" MEANS THE PERIOD BEGINNING ON THE FIRST DAY OF AUGUST IN A YEAR PRECEDING AN ELECTION, FOR AN ELECTION FOR A STATEWIDE OFFICE, OR ON THE FIRST DAY OF JANUARY OF AN ELECTION YEAR, FOR AN ELECTION FOR LEGISLATOR, AND ENDING SEVENTY-FIVE DAYS BEFORE THE DAY OF THE GENERAL ELECTION.
  - 4. "PRIMARY ELECTION PERIOD" MEANS THE NINE-WEEK PERIOD ENDING ON THE DAY OF THE PRIMARY ELECTION.
  - 5. "GENERAL ELECTION PERIOD" MEANS THE PERIOD BEGINNING ON THE DAY AFTER THE PRIMARY ELECTION AND ENDING ON THE DAY OF THE GENERAL ELECTION.
  - 6. FOR ANY RECALL ELECTION, THE QUALIFYING PERIOD SHALL BEGIN WHEN THE ELECTION IS CALLED AND LAST FOR THIRTY DAYS, THERE SHALL BE NO PRIMARY ELECTION PERIOD, AND THE GENERAL ELECTION PERIOD SHALL EXTEND FROM THE DAY AFTER THE END OF THE QUALIFYING PERIOD TO THE DAY OF THE RECALL ELECTION. FOR RECALL ELECTIONS, ANY REFERENCE TO "GENERAL ELECTION" IN THIS ARTICLE SHALL BE TREATED AS IF REFERRING TO THE RECALL ELECTION.
  - C. 1. "PARTICIPATING CANDIDATE" MEANS A CANDIDATE WHO BECOMES CERTIFIED AS A PARTICIPATING CANDIDATE PURSUANT TO SECTION 16-947.

- 2. "NONPARTICIPATING CANDIDATE" MEANS A CANDIDATE WHO DOES NOT BECOME CERTIFIED AS A PARTICIPATING CANDIDATE PURSUANT TO SECTION 16-947.
- 3. ANY LIMITATION OF THIS ARTICLE THAT IS APPLICABLE TO A PARTICIPATING CANDIDATE OR A NONPARTICIPATING CANDIDATE SHALL ALSO APPLY TO THAT CANDIDATE'S CAMPAIGN COMMITTEE OR EXPLORATORY COMMITTEE.
- D. "COMMISSION" MEANS THE CITIZENS CLEAN ELECTIONS COMMISSION ESTABLISHED PURSUANT TO SECTION 16-955.
- E. "FUND" MEANS THE CITIZENS CLEAN ELECTION FUND DEFINED BY THIS ARTICLE.
  - F. 1. "PARTY NOMINEE" MEANS A PERSON WHO HAS BEEN NOMINATED BY A POLITICAL PARTY PURSUANT TO SECTIONS 16-301 OR 16-343.
  - 2. "INDEPENDENT CANDIDATE" MEANS A CANDIDATE WHO HAS PROPERLY FILED NOMINATING PAPERS AND NOMINATING PETITIONS WITH SIGNATURES PURSUANT TO SECTION 16-341.
  - 3. "UNOPPOSED," WITH REFERENCE TO AN ELECTION FOR A MEMBER OF THE HOUSE OF REPRESENTATIVES, MEANS OPPOSED BY NO MORE THAN ONE OTHER CANDIDATE.
  - G. "PRIMARY ELECTION SPENDING LIMITS" MEANS:
  - 1. FOR A CANDIDATE FOR LEGISLATURE, TEN THOUSAND DOLLARS.
  - 2. FOR CANDIDATE FOR MINE INSPECTOR, TWENTY THOUSAND DOLLARS.
  - 3. FOR A CANDIDATE FOR TREASURER, SUPERINTENDENT OF PUBLIC INSTRUCTION, OR CORPORATION COMMISSION, FORTY THOUSAND DOLLARS.
  - 4. FOR A CANDIDATE FOR SECRETARY OF STATE OR ATTORNEY GENERAL, EIGHTY THOUSAND DOLLARS.
  - 5. FOR A CANDIDATE FOR GOVERNOR, THREE HUNDRED EIGHTY THOUSAND DOLLARS.
- H. "GENERAL ELECTION SPENDING LIMITS" MEANS AMOUNTS FIFTY PERCENT GREATER THAN THE AMOUNTS SPECIFIED IN SUBSECTION G OF THIS SECTION.
  - I. 1. "ORIGINAL" SPENDING LIMIT MEANS A LIMIT SPECIFIED IN SUBSECTIONS G AND H OF THIS SECTION, AS ADJUSTED PURSUANT TO SECTION 16-959, OR A SPECIAL AMOUNT EXPRESSLY SET FOR A PARTICULAR CANDIDATE BY A PROVISION OF THIS TITLE.
  - 2. "ADJUSTED" SPENDING LIMIT MEANS AN ORIGINAL SPENDING LIMIT AS FURTHER ADJUSTED TO ACCOUNT FOR REPORTED OVERAGES PURSUANT TO SECTION 16-952.

Section 2. In title 16, chapter 6, article 1, add the following section:

- 16-901.01. <u>LIMITATIONS ON CERTAIN UNREPORTED EXPENDI</u>TURES AND CONTRIBUTIONS.
- A. FOR PURPOSES OF THIS CHAPTER, "EXPRESSLY ADVOCATES" MEANS:
  - 1. CONVEYING A COMMUNICATION CONTAINING A PHRASE SUCH AS "VOTE FOR," "ELECT," "RE-ELECT," "SUP-PORT," "ENDORSE," "CAST YOUR BALLOT FOR," "(NAME OF CANDIDATE) IN (YEAR)," "(NAME OF CANDIDATE) FOR (OFFICE)," "VOTE AGAINST," "DEFEAT," "REJECT," OR A CAMPAIGN SLOGAN OR WORDS THAT IN CONTEXT CAN HAVE NO REASONABLE MEANING OTHER THAN TO ADVOCATE THE ELECTION OR DEFEAT OF ONE OR MORE CLEARLY IDENTIFIED CANDIDATES, OR
  - 2. MAKING A GENERAL PUBLIC COMMUNICATION, SUCH AS IN A BROADCAST MEDIUM, NEWSPAPER, MAGAZINE, BILLBOARD, OR DIRECT MAILER REFERRING TO ONE OR MORE CLEARLY IDENTIFIED CANDIDATES AND TARGETED TO THE ELECTORATE OF THAT CANDIDATE(S):
  - (A) THAT IN CONTEXT CAN HAVE NO REASONABLE MEANING OTHER THAN TO ADVOCATE THE ELECTION OR DEFEAT OF THE CANDIDATE(S), AS EVIDENCED BY FACTORS SUCH AS THE PRESENTATION OF THE CANDIDATE(S) IN A FAVORABLE OR UNFAVORABLE LIGHT, THE TARGETING, PLACEMENT, OR TIMING OF THE COMMUNICATION, OR THE INCLUSION OF STATEMENTS OF THE CANDIDATE(S) OR OPPONENTS, OR
  - (B) IN THE SIXTEEN-WEEK PERIOD IMMEDIATELY PRECEDING A GENERAL ELECTION.
- B. A COMMUNICATION WITHIN THE SCOPE OF SUBSECTION A, PARAGRAPH 2 SHALL NOT BE CONSIDERED AS ONE THAT "EXPRESSLY ADVOCATES" MERELY BECAUSE IT PRESENTS INFORMATION ABOUT THE VOTING RECORD OR POSITION ON A CAMPAIGN ISSUE OF THREE OR MORE CANDIDATES, SO LONG AS IT IS NOT MADE IN COORDINATION WITH A CANDIDATE, POLITICAL PARTY, AGENT OF THE CANDIDATE OR PARTY, OR A PERSON WHO IS COORDINATING WITH A CANDIDATE'S AGENT.

# ANALYSIS BY LEGISLATIVE COUNCIL (In Compliance With A.R.S. Section 19-124)

Proposition 200 would establish a system for the public funding of election campaigns for political candidates who voluntarily participate in a system to limit campaign spending and fundraising in statewide and state legislative elections. The proposition would also reduce by twenty percent the amount per individual that can currently be contributed to a candidate if they opt not to receive the public funding.

Proposition 200 would establish a Citizens Clean Election Commission that consists of five members, no more than two of whom can be from the same political party or same county. Persons would be eligible for membership on the Commission if they meet certain voter registration requirements, are not lobbyists and have not been can-

didates for public office or appointed to public office. Members are appointed by both the Governor and the highest ranking statewide officeholder who is not from the same political party as the Governor.

Candidates who agree to limit their fund-raising and spending would qualify to receive money from the Citizens Clean Elections Commission. To qualify, a candidate would have to receive a specified number of \$5.00 contributions from registered voters from within the candidate's district. The total money distributed by the Commission would be limited to \$5.00 multiplied by the number of individual state income tax returns filed that year.

Participating candidates would be:

- 1. Prohibited from spending more than the amounts established by the Commission for the primary and the general election.
- 2. Limited in the amount of personal money that could be used in the campaign.
- 3. Prohibited from accepting other contributions, except as specified for emergency situations.

Proposition 200 would establish reporting requirements for participating candidates in addition to the requirements under current law and would provide for various penalties, including forfeiture of office, for violations.

This proposition would establish a 10% surcharge on certain civil penalties and criminal fines and a \$100 annual fee on lobbyists representing for-profit entities, including trade groups of for-profit entities, and would allow any other person to donate to pay for public financing of candidates. Taxpayers who donate are eligible for a tax credit in the amount of the donation up to \$500 or 20% of the taxpayer's total tax owed, whichever is more.

The Citizens Clean Elections Commission would enforce and administer the system, including the allocation of money to qualified candidates, sponsor debates, adopt rules, ensure proper use of the money distributed to candidates and provide education to voters.

#### ARGUMENT "FOR" PROPOSITION 200

#### Argument "FOR" the Citizens Clean Elections Act

As a former Governor of Arizona, I have seen first hand the increasing negative influence of campaign contributions. I remember a time when regular voters could have the ear of their elected officals. Today, it's money that talks in political campaigns and it threatens the principles of our democracy. Many candidates are forced to spend too much time raising money and not enough time representing the people of Arizona.

The Clean Elections Act reduces special interest influence, limits campaign spending, and enables candidates without access to wealth to run for office, waging a battle of ideas rather than bank accounts. It also increases penalties on violators of campaign laws, and increases financial disclosure.

Real reform is the first step towards reducing voter apathy and increasing participation in the electoral process. It's time for Arizona voters to vote "YES" for Clean

Elections reform and restore the principles of fairness, equality, and integrity to our democracy.

Rose Mofford Former Governor Phoenix

Paid for by Arizonans for Clean Elections; Gary Tredway, Treasurer

#### ARGUMENT "FOR" PROPOSITION 200

As a member of Arizona's business community for over 12 years, I have seen the corrosive effect that money in politics has on our state. Every election cycle, I get call after call from candidates asking for contributions to help fund their campaigns. It annoys me because I'd rather that my elected officials spend their time meeting with Arizonans and talking about issues. I'd rather my elected representatives speak with me because they want to know what is important to me as the owner of a small business and not just because I have the money they need to run for office.

If candidates for office spend all their time raising money, and then feet obligated to those who fund their campaigns, all of us lose out. A thriving system depends upon solid governance and policies that benefit all of Arizonans, not just a few who can afford to "pay to play". But, it shouldn't take big money to run for office and it shouldn't take connections to the wealthy few who have that money. Yes, I am one of those who can contribute to campaigns. I'm a Republican. But, I believe that running for office should be about representing the values that Arizonans stand for, and the issues that Arizonans support.

The Arizona Citizens Clean Elections Act can end this constant money chase and limit the amount of money our candidates spend on their races, It will allow all good, qualified candidates to run for office regardless of their wealth or access to it. And, it will give all Arizonans more information about who is funding our candidates by increasing disclosure requirements. Vote "YES" on the Citizens Clean Elections Act.

Brian Mead President, Specialty Dialysis Services, Inc. Tempe

Paid for by Arizonans for Clean Elections; Gary Tredway, Treasurer

#### ARGUMENT "FOR" PROPOSITION 200

Why is it that fewer and fewer people choose to exercise their most precious of all rights - the right to vote! The shocking fact is that non voters outnumber voters. Polls reveal that a lack of confidence in government is a major factor. Voters believe that their elected representatives enact policies that favor special interests - not theirs. No wonder they are disillusioned and angry!

Candidates spend more and more time raising money. Incumbents pay less attention to their official duties and more to raising money to finance campaigns. The ever growing cost of campaigns prevents many qualified people from seeking public office. One cannot run for public office without money.

Where does the money come from? Why should you be concerned? Because important issues regarding health care, children, and the environment are affected by political contributions. Health care industry interests opposed to new standards for patient care have stepped up their political giving. Drugs cost more because of campaign contributions from the pharmaceutical industry. School construction is obstructed because legislators yield to the bonding industry.

Most corporations and wealthy donors give money because they expect something in return. Elected officals who consistently vote against the interests of their donors will see future contributions significantly reduced.

You can end the money chase, halt corruption, limit campaign spending and reduce special interest influence by supporting "Clean Elections." The League of Women Voters of Arizona urges you to vote yes on the "Clean Election Act."

Dr. Lila J. Schwartz, President Leauge of Women Voters of Arizona Sun City West Ann Eschinger, President League of Women Voters of Metropolitan Phoenix Phoenix

Paid for by League of Women Voters of Metro Phoenix; Ann Eschinger, President

#### ARGUMENT "FOR" PROPOSITION 200

As an active member of our community, I have witnessed Arizona thrive economically over the past three decades. During these years every segment of our society has been participating in Arizona's growing reputation nationally as a good place to raise a family, pursue a career, and participate in the community.

However, after years of grass roots support for local, state, and national political candidates of both parties, I have noticed an alarming trend which if not stopped will destroy democracy as we know it. The culprit is the insatiable pursuit of private political contributions by candidates for office. With the demand for big money so acute, powerful contributors lock up the attention of their candidates, and at worst influence public policy.

It is time to stop our politicians' addiction to huge privately funded campaigns. Our politicians should be free again to represent the best interests of all the citizens, not just the large financial contributors who can trade their cash for political support. When we return Arizona's politicians to the competition of ideals and not money we will reset the foundation of democracy in Arizona.

The Citizens' Clean Elections Act is the right step to clean up Arizona politics. It frees the politicians from the money chase, ends the relentless pursuit from big money, and allows more Arizonans the opportunity to serve in public office. Simply stated, it levels the playing field and stops corruption. Only those who have been stealing our politicians' independence with big money could oppose the Clean Elections Act. I urge you, for the future of Arizona, to vote yes for Clean Elections.

John Benton Tempe

#### ARGUMENT "FOR" PROPOSITION 200

Argument FOR Citizens Clean Elections Act Intitiative

Every time the voting record of Americans is being discussed, someone accuses the voters of being "lazy" or "indifferent", because of the low turnout at elections.

I don't believe that accusation for a minute! Disgusted, yes. Dispirited, you bet. Crushed, absolutely. But ... not lazy! We're angry ... terribly angry ... because we have reached the limit of our patience. We don't believe our politicians any more.

As far back as I can remember, Congress has promised another campaign finance reform bill. Every few years, they pass a bill with "campaign finance reform" in the title. And, each time, lobbyists and special interests end up with more and more power over our politicians ... and we have less and less.

We have watched in horror as, in each new election, the politicians have extended the boundaries of ethical campaigning, skirting the edges of the campaign finance laws at every opportunity. Politicians are now acting just like children ... always testing to see if we will accept some new style of unruly campaign behavior.

It's time for us to take charge and mandate the desperately needed corrections!

The first crucial step is to pass the Citizens Clean Elections Act ... to create an electoral system untainted by questionable contributions. Without overhauling the whole voting process, we can simply *VOTE YES*, to make sure that no lobbyist or special interest can again "buy" a candidate as they are doing now.

Honest candidates won't be hurt by the Citizens Clean Elections Act ... they will be helped. Instead of having to meet with special interest groups month after month to scavenge for campaign money, they can spend their valuable time working for their constituents.

When you will *VOTE YES* for Clean Elections, you can be taking the first important step in cleaning up our election system.

John De Lasaux President, United We Stand America - Arizona, Inc. Phoenix

Paid for by Arizonans for Clean Elections; Gary Tredway, Treasurer

#### ARGUMENT "FOR" PROPOSITION 200

I'm 76 years old, born and raised in Arizona. In my lifetime, I've seen a lot of changes in Arizona politics.

Arizonans -- in the past -- had earned a reputation for electing strong and independent political leaders. Now, Arizona has earned the reputation of a state rife with corruption and the abuse of money in politics. Our elected officials are going to jail and this cycle of abuse seems endless.

It's time to change that. It's time to restore confidence in our political system. It's time to pass the Citizens Clean Election Act.

The Citizens Clean Election Act -- endorsed by the State Legislative Council of AARP, Arizona League of Women Voters and countless other organizations, will take big money out of politics and reduce special interest influence. By limiting campaign spending and increasing disclosure requirements, it will level the playing field so that the voices of Arizona's working families and seniors on fixed incomes are heard just as loudly as the big money donors who are corrupting our system.

Join me in voting "YES" on Proposition 200. Let's clean-up Arizona politics.

John Eichenauer Phoenix

Paid for by Arizonans for Clean Elections; Gary Tredway, Treasurer

#### ARGUMENT "FOR" PROPOSITION 200

Argument for Proposition 200 (Arizonans for Clean Elections)

As members of the organization responsible for many of Arizona's existing campaign spending limits and lobbyist reforms, and as an organization that works every day in the Legislature and sees the pervasive and corrosive effects of lobbyist money in political campaigns, we believe that Proposition 200 is the the strong medicine needed in the Arizona Legislature. It provides a sensible way to reduce the role of special interest money, ratchet-down the expense of political campaigns, enable good, new people from our communities to run against lobbyist-funded candidates, enable elected leaders to stop the money chase altogether and spend more time on the hard issues, and provide Arizonans with more timely disclosure regarding who is receiving special interest money.

Arizona Common Cause volunteers strongly support Proposition 200 and urge you to vote "YES."

Rod Engelen, State Chairman Common Cause of Arizona Phoenix

#### ARGUMENT "AGAINST" PROPOSITION 200

I urge you to VOTE NO on the so-called "Clean Elections Act." What this act really does is raise several new taxes in order to use taxpayer dollars to fund fringe candidates that have little or no support for their special interest agendas. The act forces you to contribute your taxpayer dollars to support candidates from other parties you don't even agree with. The act raises a new 10% tax on civil and criminal fines and penalities, levies a tax on all registered lobbyists, allows check-off taxes on income taxes and establishes a "qualifying fee" tax on candidates. In addition, the act limits free speech by restricting how much money a candidate may spend. The sponsors themselves acknowledge that only the "voluntary" nature of the program keeps this from being clearly unconstitutional. However, the act goes on to punish non-taxpayer funded candidates by reducing their fund raising ability by 20% if they don't participate. The act also creates a brand new bureaucracy to publicly administer these new taxes and to fund candidates. This means bureaucrats spending your tax dollars to control state elections, funding and candidates. Is that what we want?

#### Proposition 200

In a nutshell, the act levies a host of new taxes, creates a new level of bureaucracy, provides taxpayer funds for fringe candidates, punishes candidates who don't want to use taxpayer funds, and limits free speech. This is a horrible affront to both taxpayers and voters. Join me and VOTE NO on Proposition 200.

Jack F Cain Glendale

#### ARGUMENT "AGAINST" PROPOSITION 200

Letter against Initiative 10-I-98

This initiative has nothing to do with clean elections. Despite it's name it would provide expensive elections! This initiative should be called "Show me the money!"

This Initiative establishes additional government bureaucracy at a hidden cost to the tax payers. The hidden costs include: replacing the tax dollars diverted from the States General Fund on income tax forms, the difficult audit process, the Elections Commission (with its commissioners and executive director), the state funded candidate education material and public funded debates.

We do not need the state tax payers to be responsible for funding candidates. Candidates must be responsible for their own campaigns. This is a pyramid scheme, a legislative candidate need only raise \$1,000 and they may receive \$10,000 in the primary election and \$15,000 in the general election. We will be wasting our tax dollars on wacky candidates that common sense tells us would have no chance of winning.

This inititative does nothing to make our election more honest. Instead of clean elections, Arizona's tax payers will receive a large bill! Save our tax dollars for education and the safety of our children - do not support 10-I-98.

Lori Marsh Scottsdale

#### **ARGUMENT "AGAINST" PROPOSITION 200**

Proposition 200:

- \* uses our tax payer dollars to finance political campaigns,
- \* raids state revenues to finance individual political campaigns and takes our tax dollars away from education, prisons and the community's social needs,
- \* increases taxes
- penalizes candidates who chose not to participate and
- \* penalizes volunteers who participate in volunteer organizations.

The Arizona Farm Bureau, a volunteer organization of Arizona's farmers and ranchers, **OPPOSES** Proposition 200.

This year the legislature appropriated nearly \$6 billion to fund state government including \$400 million to repair and construct schools and \$130 million for children's healthcare. Proposition 200 allows a taxpayer to reduce their income taxes by \$500 or 20 per cent of their tax liability "WHICHEVER IS HIGHER". This diversion of tax

dollars to finance individual political campaigns makes less money available for education and child welfare, which, in turn, raises taxes on all of us.

Proposition 200 penalizes candidates who chose not to participate in this public finance scheme. Arizona already has some of the nation's strictest contribution limits. It further restricts a campaign contribution given by you to a candidate of your choice.

Proposition 200 penalizes volunteers of organizations that participate in the political process. It charges them \$100 every year to represent their organization when an issue affects them and their profession or industry. The drafters were very careful in writing this section. You see they only make this tax apply to those volunteers who represent special interests of "FOR PROFIT ENTITIES". The \$100 tax does not apply to those special interests that proclaim themselves to be free of any economic interest. Many of these groups advocate more spending of our taxes and more regulations on you and your businesses. Let's be fair.

You should not support tax payer funding of individual political campaigns, **Vote NO on Proposition 200.** 

Ken Evans, President Arizona Farm Bureau Federation Yuma Andy Kurtz, Secretary and Chief Administrative Officer Arizona Farm Bureau Federation Phoenix

### **BALLOT FORMAT**

## **PROPOSITION 200**

#### PROPOSED BY INITIATIVE PETITION

## OFFICIAL TITLE

### CITIZENS CLEAN ELECTIONS ACT

#### **DESCRIPTIVE TITLE**

ESTABLISHING 5-MEMBER COMMISSION TO ADMINISTER ADDITIONAL ALTERNATIVE CAMPAIGN FINANCING SYSTEM; PROVIDING PUBLIC FUNDING AND ADDITIONAL REPORTING FOR PARTICIPATING CANDIDATES; REDUCING CURRENT CONTRIBUTION LIMITS BY 20% FOR NON-PARTICIPATING CANDIDATES; SETTING PERSONAL MONIES AND SPENDING LIMITS FOR PARTICIPATING CANDIDATES; LIMITING PRIVATE CONTRIBUTIONS FOR PARTICIPATING CANDIDATES UNLESS COMMISSION DECLARES EMERGENCY.

# **PROPOSITION 200**

A "yes" vote shall have the effect of establishing a 5-member commission to administer an additional alternative campaign financing system which includes spending limits and public funding for participating candidates; additional reporting for all candidates, and reducing the current contribution limits for non-participating candidates by 20%.	YES 🗌
A "no" vote shall have the effect of retaining the current single system of campaign finance limits and reporting requirements for all candidates.	NO 🗆